

**M.O., 2009-05****Order number V-1.1-2009-05 of the Minister of Finance, September 9, 2009**

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

CONCERNING concordant regulations to Regulation 31-103 respecting registration requirements and exemptions under the Securities Act

WHEREAS subparagraphs 1 to 3, 4, 6, 7 to 9, 10 to 15, 17, 25 to 27, 29, 33 and 34 of section 331.1 of the Securities Act (R.S.Q., c. V-1.1), amended by section 225 of chapter 24 of the statutes of 2008 and by section 45 of chapter 25 of the statutes of 2009, 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 de l'Autorité des marchés financiers, 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 the Autorité des marchés financiers or approved by the Minister of Finance:

— Regulation 11-101 respecting principal regulator system approved by ministerial order no. 2005-18 dated August 10, 2005;

— Regulation 14-101 respecting definitions adopted by decision no. 2001-C-0274 dated June 12, 2001;

— Regulation 24-101 respecting institutional trade matching and settlement approved by ministerial order no. 2007-03 dated March 6, 2007;

— Regulation 31-102 respecting national registration database approved by ministerial order no. 2007-04 dated June 21, 2007;

— National instrument 33-102, Regulation of certain registrant activities adopted by decision no. 2001-C-0175 dated May 8, 2001;

— Regulation 33-105 respecting underwriting conflicts approved by ministerial order no. 2005-14 dated August 2, 2005;

— Regulation 33-109 respecting registration information approved by ministerial order no. 2007-05 dated June 21, 2007;

— Regulation 45-102 respecting resale of securities approved by ministerial order no. 2005-21 dated August 12, 2005;

— Regulation 45-106 respecting prospectus and registration exemptions approved by ministerial order no. 2005-20 dated August 12, 2005;

— Regulation 51-102 respecting continuous disclosure obligations approved by ministerial order no. 2005-03 dated May 19, 2005;

— Regulation 81-102 respecting mutual funds adopted by decision no. 2001-C-0209 dated May 22, 2001;

— Regulation 81-104 respecting commodity pools adopted by decision no. 2003-C-0075 dated March 3, 2003;

— Regulation 81-105 respecting mutual fund sales practices adopted by decision no. 2001-C-0212 dated May 22, 2001;

— Regulation 81-107 respecting independent review committee for investment funds approved by ministerial order no. 2006-02 dated October 31, 2006;

— Policy statement Q-9, Dealers, advisers and representatives adopted by decision no. 2003-C-0090 dated March 3, 2003;

— Regulation Q-17 respecting restricted shares adopted by decision no. 2001-C-0264 dated June 12, 2001;

WHEREAS the government, by order-in-council no. 660-83 of March 30, 1983, enacted the Securities Regulation (1983, *G.O.* 2, 1269);

WHEREAS there is cause to amend, replace or repeal those regulations;

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 repeal Regulation 11-101 respecting principal regulator system published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009-PDG-0123 dated September 4, 2009;

— Regulation to amend Regulation 14-101 respecting definitions published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009-PDG-0123 dated September 4, 2009;

— Regulation to amend Regulation 24-101 respecting institutional trade matching and settlement published in the Bulletin de l'Autorité des marchés financiers, volume 6, no. 28 of July 17, 2009 and made by decision no. 2009-PDG-0123 dated September 4, 2009;

— Regulation to amend Regulation 31-102 respecting national registration database published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009-PDG-0130 dated September 4, 2009;

— Regulation to repeal National instrument 33-102, Regulation of certain registrant activities published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009-PDG-0123 dated September 4, 2009;

— Regulation to amend Regulation 33-105 respecting underwriting conflicts published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009-PDG-0123 dated September 4, 2009;

— Regulation 33-109 respecting registration information published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009-PDG-0129 dated September 4, 2009;

— Regulation to amend Regulation 45-102 respecting resale of securities published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009PDG-0120 dated September 4, 2009;

— Regulation 45-106 respecting prospectus and registration exemptions published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009PDG-0117 dated September 4, 2009;

— Regulation to amend Regulation 51-102 respecting continuous disclosure obligations published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009-PDG-0118 dated September 4, 2009;

— Regulation to amend Regulation 81-102 respecting mutual funds published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009-PDG-0123 dated September 4, 2009;

— Regulation to amend Regulation 81-104 respecting commodity pools published in the Bulletin de l'Autorité des marchés financiers, volume 6, no. 28 of July 17, 2008 and made by decision no. 2009PDG0123 dated September 4, 2009;

— Regulation to amend Regulation 81-105 respecting mutual fund sales practices published in the Bulletin de l'Autorité des marchés financiers, volume 6, no. 28 of July 17, 2009 and made by decision no. 2009-PDG-0123 dated September 4, 2009;

— Regulation to amend Regulation 81-107 respecting independent review committee for investment funds published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009-PDG-0123 dated September 4, 2009;

— Regulation to repeal Policy statement Q-9, Dealers, advisers and representatives published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009-PDG-0123 dated September 4, 2009;

— Regulation to amend Regulation Q-17 respecting restricted shares published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009PDG-0123 dated September 4, 2009;

— Regulation to amend the Securities Regulation published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 8 of February 29, 2008 and made by decision no. 2009-PDG-0123 dated September 4, 2009;

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 repeal Regulation 11-101 respecting principal regulator system;

— Regulation to amend Regulation 14-101 respecting definitions;

— Regulation to amend Regulation 24-101 respecting institutional trade matching and settlement;

— Regulation to amend Regulation 31-102 respecting national registration database;

— Regulation to repeal National instrument 33-102, Regulation of certain registrant activities;

— Regulation to amend Regulation 33-105 respecting underwriting conflicts;

— Regulation 33-109 respecting registration information;

— Regulation to amend Regulation 45-102 respecting resale of securities;

— Regulation 45-106 respecting prospectus and registration exemptions;

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

— Regulation to amend Regulation 81-102 respecting mutual funds;

— Regulation to amend Regulation 81-104 respecting commodity pools;

— Regulation to amend Regulation 81-105 respecting mutual fund sales practices;

— Regulation to amend Regulation 81-107 respecting independent review committee for investment funds;

— Regulation to repeal Policy Statement Q-9, Dealers, advisers and representatives;

— Regulation to amend Regulation Q-17 respecting restricted shares;

— Regulation to amend the Securities Regulation.

September 9, 2009

RAYMOND BACHAND,  
*Minister of Finance*

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**REGULATION TO REPEAL REGULATION 11-101 RESPECTING PRINCIPAL REGULATOR SYSTEM\***

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, pars. (1), (8), (11), (25), (26), (33) and (34); 2008, c. 24; s. 225; 2009, c. 25, s. 45)

- 1.** *Regulation 11-101 respecting Principal Regulator System* is repealed.
- 2.** This Regulation comes into force on September 28, 2009.

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\* *Regulation 11-101 respecting Principal Regulator System*, approved by Ministerial Order No. 2005-18 dated August 10, 2005 (2005, G.O. 2, 3531), was last amended by the Regulation amending the Regulation approved by Ministerial Order No. 2008-06 dated March 4, 2008 (2008, G.O. 2, 726). For previous amendments, refer to the "Tableau des modifications et Index sommaire," *Éditeur officiel du Québec*, 2009, updated to March 1, 2009.

**REGULATION TO AMEND REGULATION 14-101 RESPECTING DEFINITIONS\***

Securities Act

(R.S.Q. c. V-1.1, s. 331.1, par. (34); 2008, c. 24; s. 225; 2009, c. 25, s. 45)

**I.** Paragraph 3 of Section 1.1 of Regulation 14-101 respecting Definitions is amended:

(1) by replacing the definition of “registration requirement” with the following:

“registration requirement” means all of the following:

- (a) the adviser registration requirement,
- (b) the dealer registration requirement,
- (c) the investment fund manager registration requirement, and
- (d) the underwriter registration requirement;”;

(2) by replacing the French text of the definition of “adviser registration requirement” with the following:

“ « obligation d’inscription à titre de conseiller » : l’obligation prévue à la législation en valeurs mobilières qui interdit à une personne ou société d’agir à titre de conseiller, à moins d’être inscrite à ce titre dans la catégorie d’inscription appropriée prévue par la législation en valeurs mobilières;”;

(3) by replacing the definition of “dealer registration requirement” with the following:

“dealer registration requirement” means:

(a) in every jurisdiction except British Columbia, Manitoba and New Brunswick, the requirement in securities legislation that prohibits a person or company from acting as a dealer unless that person or company is registered in the appropriate category of registration under securities legislation, and

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\* Regulation 14-101 respecting Definitions, adopted on June 12, 2001 pursuant to Decision No. 2001-C-0274 and published in the Supplement to the Bulletin of the *Commission des valeurs mobilières du Québec*, Vol. 32, No. 27, dated June 29, 2001, was amended solely by the Amendments to National Instrument 14-101, Definitions, adopted on September 10, 2002 pursuant to Decision No. 2002-C-0324 and published in the Supplement to the Bulletin of the *Commission des valeurs mobilières du Québec*, Vol. 33, No. 41, dated October 18, 2002, and by the Regulation to amend National Instrument 14-101, Definitions approved by Ministerial Order No. 2008-06 dated March 4, 2008 (2008, *G.O.* 2, 726).

(b) in British Columbia, Manitoba and New Brunswick, the requirement in securities legislation that prohibits a person or company from trading in a security unless that person or company is registered in the appropriate category of registration under securities legislation;”;

(4) by replacing, in the French text, the definition of “exigence d’inscription à titre de preneur ferme” with the following:

“« obligation d’inscription à titre de placeur » : l’obligation prévue à la législation en valeurs mobilières qui interdit à une personne ou société d’agir à titre de placeur, à moins d’être inscrite à ce titre dans la catégorie d’inscription appropriée prévue par la législation en valeurs mobilières;”;

(5) by adding the following definition after the definition of “insider reporting requirement”:

“investment fund manager registration requirement” means the requirement in securities legislation that prohibits a person or company from acting as an investment fund manager unless the person or company is registered in the appropriate category of registration under securities legislation;”

(6) by replacing the definition of “person or company” with the following:

“person or company”, for the purpose of a regulation, means,

(a) in British Columbia, a “person” as defined in section 1(1) of the Securities Act (R.S.B.C. 1996, ch. 418);

(b) in New Brunswick, a “person” as defined in section 1(1) of the Securities Act (S.N.B. 2004, c. S-5.5);

(c) in the Northwest Territories, a “person” as defined in section 1 of the Securities Act (Northwest Territories);

(d) in Prince Edward Island, a “person” as defined in section 1 of the Securities Act (R.S.P.E.I. 1988, c. S-3);

(e) in Québec, a “person” as defined in section 5.1 of the Securities Act (R.S.Q., c. V-1.1); and

(f) in Yukon Territory, a “person” as defined in section 1 of the Securities Act (R.S.Y. 2002, c. 201);”.

**2.** Appendix B of the Regulation is amended by replacing the paragraph opposite the word “Québec” with the following:

“Securities Act, An Act respecting the Autorité des marchés financiers (R.S.Q., c. A-33.2), Derivatives Act (S.Q. 2008, c. 24), the regulations under those Acts, and the blanket rulings and orders issued by the securities regulatory authority”.

**3.** Appendix C of the Regulation is amended by replacing the paragraph opposite the word “Northwest Territories” with the following:

“Superintendent of Securities, Northwest Territories”.

**4.** Appendix D of the Regulation is amended by replacing the paragraph opposite the word “Northwest Territories” with the following:

“Superintendent, as defined under section 1 of the Securities Act (Northwest Territories)”.

**5.** This Regulation comes into force on September 28, 2009.

**REGULATION TO AMEND REGULATION 24-101 RESPECTING INSTITUTIONAL TRADE MATCHING AND SETTLEMENT\***

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, pars. (26) and (34); 2008, c. 24, s. 225; 2009, c. 25, s. 45)

**1.** Section 1.1 of Regulation 24-101 respecting Institutional Trade Matching and Settlement is amended by inserting the following definition after the definition of “matching service utility”:

““registered firm” means a person registered under securities legislation as a dealer or adviser;”.

**2.** The Regulation is amended by replacing, wherever it appears, the word “registrant” with the words “registered firm”.

**3.** This Regulation comes into force on September 28, 2009.

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\* Regulation 24-101 respecting Institutional Trade Matching and Settlement, approved by Ministerial Order No. 2007-03 dated March 6, 2007 (2007, G.O. 2, 1270), has not been amended since its approval.



**REGULATION TO AMEND REGULATION 31-102 RESPECTING NATIONAL REGISTRATION DATABASE\***

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, pars. (1), (2), (3), (11), (26) and (34); 2008, c. 24, s. 225; 2009, c. 25, s. 45)

**1.** Section 1.1 of Regulation 31-102 respecting National Registration Database is amended:

(1) by deleting, in the definition of “NRD number”, “, a permitted individual,”;

(2) by deleting, in the definition of “firm filer”, the words “or company” and by replacing the word “underwriter” with the words “investment fund manager”.

**2.** Section 2.1 of the Regulation is amended:

(1) by deleting, in the introductory paragraph of the English text, the words “or company”;

(2) by deleting, in paragraph 4, “or a change to any information previously submitted in respect of Form 33-109F4”;

(3) by adding the following paragraphs after paragraph 4:

“(5) Form 33-109F5 to report a change to any information previously submitted in respect of Form 33-109F4;

“(6) Form 33-109F7.”.

**3.** Section 3.1 of the Regulation is amended by deleting, in subparagraph (b) of paragraph (1), “, permitted individual,”.

**4.** Section 3.2 of the Regulation is amended:

(1) by replacing, wherever it appears, “5 business days” with “7 days”, and making the necessary changes;

(2) by adding the following after subparagraph (f):

“(g) submit any change in the phone number, fax number or e-mail address of the chief AFR in NRD format within 7 days of the change.”.

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\* Regulation 31-102 respecting National Registration Database, approved by Ministerial Order No. 2007-04 dated June 21, 2007 (2007, G.O. 2, 1973), has not been amended since its approval.

**5.** Section 4.2 of the Regulation is amended:

(1) by replacing, in paragraph (1), the words “a firm” with the words “an NRD” and the word “firm” with the word “NRD”;

(2) by replacing, in paragraph (2), the word “firm” with the word “NRD”.

**6.** The Regulation is amended by adding the following sections after section 4.3:

**“4.4. Payment of Late Filing Fees**

(1) If a firm filer is required to pay late filing fees because of an activity that creates or relates to an NRD submission, the firm filer must pay the required fee by electronic pre-authorized debit through NRD.

(2) A payment under subsection (1) must be made from the firm filer’s NRD account.

**“4.5. Exemption for Registrants not Resident in Canada**

Sections 3.2(c), 4.1, 4.2, 4.3 and 4.4 do not apply to a registered firm that

(a) has no business office in a jurisdiction of Canada,

(b) does not have an account with a member of the Canadian Payments Association,

(c) is not an affiliate of a registered firm resident in a jurisdiction of Canada,

(d) pays the fees referred to in sections 4.1, 4.2 and 4.4 within 14 days of the date the payment is due,

(e) pays the following fees by submitting a cheque, payable to CDS INC. in Canadian funds, to the firm’s principal regulator within 14 days of the date the payment is due:

(i) NRD user fees required in respect of an NRD submission;

(ii) annual NRD user fees, and

(f) pays any fee referred to in sections 4.1, 4.2 and 4.4, other than an NRD user fee, by submitting a cheque in Canadian funds to the securities regulatory authority or regulator in the local jurisdiction within 14 days of the date the payment is due.”.

**7.** Section 5.1 of the Regulation is replaced with the following:

**“5.1. Temporary Hardship Exemption**

(1) If unanticipated technical difficulties prevent an NRD filer from making an NRD submission within the time required under securities legislation, the NRD filer is exempt from the requirement to make the submission within the required time period, if the NRD filer makes the submission other than through the NRD website or in NRD format no later than 7 days after the day on which the information was required to be submitted.

(2) If unanticipated technical difficulties prevent an individual filer from submitting an application in NRD format, the individual filer may submit the application other than through the NRD website.

(3) For the purpose of subsections (1) and (2), the NRD filer may make a notification or application other than through the NRD website by submitting it to the principal regulator.

(4) Despite subsection (3), for the purpose of an application submitted under (2) which includes Ontario, the individual filer may make the application by submitting it to

- (a) the principal regulator, if the principal jurisdiction is Ontario, or
- (b) the principal regulator and the regulator in Ontario.

(5) If an NRD filer makes a submission other than through the NRD website under this section, the NRD filer must include the following legend in capital letters at the top of the first page of the submission:

IN ACCORDANCE WITH SECTION 5.1 OF *REGULATION 31-102 RESPECTING NATIONAL REGISTRATION DATABASE* (NRD), THIS [SPECIFY DOCUMENT] IS BEING SUBMITTED OTHER THAN THROUGH THE NRD WEBSITE UNDER A TEMPORARY HARDSHIP EXEMPTION.

(6) If an NRD filer makes a submission other than through the NRD website under this section, the NRD filer must resubmit the information in NRD format as soon as practicable and in any event within 14 days after the unanticipated technical difficulties have been resolved.”.

**8.** Section 7.1 of the Regulation is repealed.

**9.** This Regulation comes into force on September 28, 2009.

**REGULATION TO REPEAL NATIONAL INSTRUMENT 33-102, REGULATION OF CERTAIN REGISTRANT ACTIVITIES\***

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, pars. (1), (26) and (34); 2008, c. 24; s. 225, 2009, c. 25, s. 45)

- 1.** National Instrument 33-102, Regulation of Certain Registrant Activities is repealed.
- 2.** This Regulation comes into effect on September 28, 2009.

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\* National Instrument 33-102, *Regulation of Certain Registrant Activities*, adopted on May 8, 2001 pursuant to Decision No. 2001-C-0175 and published in the Supplement to the Bulletin of the *Commission des valeurs mobilières du Québec*, Volume 32, No. 19, dated May 11, 2001, was last amended by the Policy Statement to amend the National Instrument adopted on July 10, 2001 pursuant to Decision No. 2001-C-0338 and published in the Supplement to the Bulletin of the *Commission des valeurs mobilières du Québec*, Volume 32, No. 28, dated July 13, 2001.

**REGULATION TO AMEND REGULATION 33-105 RESPECTING UNDERWRITING CONFLICTS\***

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, pars. (26) and (34); 2008, c. 24; s. 225, 2009, c. 25, s. 45)

**I.** Section 1.1 of Regulation 33-105 respecting Underwriting Conflicts is amended:

(1) in the definition of “connected issuer”:

(a) by replacing, wherever it appears, the word “registrant” with the words “specified firm registrant”;

(b) by inserting, after the words “un dirigeant”, wherever they appear in the French text, “, un administrateur”;

(2) in the definition of “professional group”:

(a) by replacing, wherever it appears, the word “registrant” with the words “specified firm registrant”;

(b) by inserting, in the French text and after the word “associés”, “, les administrateurs”;

(3) by deleting the definition of “registrant”;

(4) in the definition of “influential securityholder”:

(a) by replacing, in paragraph (d), the words “the registrant” with the words “specified firm registrant”;

(b) by inserting, in the French text and after the word “dirigeants”, “, administrateurs”;

(5) by adding, after the definition of “special warrant”, the following, and making the necessary changes:

“ “specified firm registrant” means a person registered, or required to be registered, under securities legislation as a registered dealer, registered adviser or registered investment fund manager.”;

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\* Regulation 33-105 respecting Underwriting Conflicts, approved by Ministerial Order No. 2005-14 dated August 2, 2005 (2005, G.O. 2, 3551), has not been amended since its approval.

(6) by deleting, wherever they appear, the words “or company” and “or companies”.

**2.** The Regulation is amended:

(1) by replacing, wherever it appears, the word “registrant” with the words “specified firm registrant”;

(2) by deleting, wherever they appear, the words “or company” and “or companies”.

**3.** Appendix A of Regulation 33-105 respecting Underwriting Conflicts is replaced with the following:

**“APPENDIX A  
EXEMPT SECURITIES**

<b>Jurisdiction</b>	<b>Section Legislation Reference</b>
ALL	Sections 2.20, 2.21, 2.35, 2.38 and 2.39 of Regulation 45-106 respecting Prospectus and Registration Exemptions approved by Ministerial Order No. 2005-20 dated August 12, 2005
ALL EXCEPT ONTARIO	Sections 2.34, 2.36 and 2.37 of Regulation 45-106 respecting Prospectus and Registration Exemptions
ALBERTA	Section 87(h), (h.1) and (h.2) of the Securities Act (R.S.A. 2000, c. S-4)
MANITOBA	Subsection 19(2)(g) and (h) of the Securities Act (C.C.S.M. c. S50)
NEWFOUNDLAND AND LABRADOR	Subsections 36(2)(h) and (i) of the Securities Act (R.S.N.L. 1990, c. S-13)
NOVA SCOTIA	Clause 41(2)(i) of the Securities Act (R.S.N.S. 1989, c. 418)

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ONTARIO	Paragraphs 73(1)(a) and (b) of the Securities Act (R.S.O. 1990, c. S.5)  Sections 2.4 to 2.6 of OSC Rule 45-501  Paragraphs 2.34(2)(b),(d.1),(e) and (f) of Regulation 45-106 respecting Prospectus and Registration Exemptions
PRINCE EDWARD ISLAND	Subsection 2(4)(f) and (g) of the Securities Act (R.S.P.E.I. 1988, c. S-3)
QUÉBEC	Section 41 of the Securities Act (R.S.Q., c. V-1.1)
SASKATCHEWAN	Subsection 39(2)(i) and (j) of The Securities Act, 1988 (S.S. 1988-89, c. S-42.2)”. .”.

- 4.** This Regulation comes into force on September 28, 2009.

**REGULATION 33-109 RESPECTING REGISTRATION INFORMATION**

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, pars. (1), (2), (3), (4.1), (26), (27), (27.0.1), (27.0.2) and (34); 2008, c. 24; s. 225, 2009, c. 25, s. 45, par. (4))

**PART 1 DEFINITIONS AND INTERPRETATION****1.1. Definitions**

In this Regulation:

“cessation date” means the first day on which an individual ceased to have authority to act as a registered individual on behalf of their sponsoring firm or ceased to be a permitted individual of their sponsoring firm, because of the end of, or a change in, the individual’s employment, partnership, or agency relationship with the firm;

“firm” means a person that is registered, or is seeking registration, as a dealer, adviser or investment fund manager;

“former sponsoring firm” means the registered firm for which an individual most recently acted as a registered individual or permitted individual;

“NRD submission number” means the unique number generated by NRD to identify each NRD submission;

“permitted individual” means an individual who is not a registered individual and who is

(a) a director, chief executive officer, chief financial officer, or chief operating officer of a firm, or who performs the functional equivalent of any of those positions, or

(b) an individual who has beneficial ownership of, or direct or indirect control or direction over, 10 percent or more of the voting securities of a firm;

“principal jurisdiction” means,

(a) for a firm whose head office is in Canada, the jurisdiction of Canada in which the firm’s head office is located,

(b) for an individual whose working office is in Canada, the jurisdiction of Canada in which the individual’s working office is located,



(c) for a firm whose head office is outside Canada, the jurisdiction of the firm's principal regulator, as identified by the firm on its most recently submitted Form 33-109F5 or Form 33-109F6, and

(d) for an individual whose working office is outside Canada, the principal jurisdiction of the individual's sponsoring firm;

“principal regulator” means, for a person, the securities regulatory authority or regulator of the person's principal jurisdiction;

“registered firm” means a registered dealer, registered adviser or registered investment fund manager;

“registered individual” means an individual who is registered under securities legislation to do any of the following on behalf of a registered firm:

- (a) act as a dealer, underwriter or adviser;
- (b) act as a chief compliance officer;
- (c) act as an ultimate designated person;

“sponsoring firm” means,

(a) for a registered individual, the registered firm on whose behalf the individual acts,

(b) for an individual applying for registration, the firm on whose behalf the individual will act if the individual's application is approved,

(c) for a permitted individual of a registered firm, the registered firm, and

(d) for a permitted individual of a firm that is applying for registration, the applicant firm.

## 1.2. Interpretation

Terms used in this Regulation and that are defined in Regulation 31-102 respecting National Registration Database approved by Ministerial Order No. 2007-04 dated June 21, 2007 have the same meanings as in Regulation 31-102 respecting National Registration Database.

## **PART 2 APPLICATION FOR REGISTRATION AND REVIEW OF PERMITTED INDIVIDUALS**

### **2.1. Firm Registration**

A firm that applies for registration as a dealer, adviser or investment fund manager must submit each of the following to the regulator or, in Québec, the securities regulatory authority:

(a) a completed Form 33-109F6;

(b) for each business location of the applicant in the local jurisdiction other than the applicant's head office, a completed Form 33-109F3 in accordance with Regulation 31-102 respecting National Registration Database.

### **2.2. Individual Registration**

(1) Subject to subsection (2) and sections 2.4 and 2.6, an individual who applies for registration under securities legislation must submit a completed Form 33-109F4 to the regulator or, in Québec, the securities regulatory authority in accordance with Regulation 31-102 respecting National Registration Database.

(2) A permitted individual of a registered firm who applies to become a registered individual with the firm must submit a completed Form 33-109F2 to the regulator or, in Québec, the securities regulatory authority in accordance with Regulation 31-102 respecting National Registration Database.

### **2.3. Reinstatement**

(1) An individual who applies for reinstatement of registration under securities legislation must submit a completed Form 33-109F4 to the regulator or, in Québec, the securities regulatory authority in accordance with Regulation 31-102 respecting National Registration Database, unless the individual submits a completed Form 33-109F7 in accordance with subsection (2).

(2) The registration of an individual suspended under section 6.1 of Regulation 31-103 respecting Registration Requirements and Exemptions approved by Ministerial Order no. 2009-04 dated September 9, 2009 is reinstated on the date the individual submits a completed Form 33-109F7 to the regulator or, in Québec, the securities regulatory authority in accordance with Regulation 31-102 respecting National Registration Database if all of the following apply:

(a) the Form 33-109F7 is submitted on or before the 90<sup>th</sup> day after the cessation date;

(b) the individual's employment, partnership or agency relationship with the former sponsoring firm did not end because the individual was asked by the firm to resign, or was dismissed, following an allegation against the individual of any of the following:

- (i) criminal activity;
- (ii) a breach of securities legislation;
- (iii) a breach of a rule of an SRO;

(c) after the cessation date there have been no changes to the information previously submitted in respect of any of the following items of the individual's Form 33-109F4:

- (i) item 13 relating to regulatory disclosure;
- (ii) item 14 relating to criminal disclosure;
- (iii) item 15 relating to civil disclosure;
- (iv) item 16 relating to financial disclosure;

(d) the individual is seeking reinstatement with a sponsoring firm in the same category of registration in which the individual was registered on the cessation date;

(e) the new sponsoring firm is registered in the same category of registration in which the individual's former sponsoring firm was registered.

#### **2.4. Application to Change or Surrender Individual Registration Categories**

A registered individual who applies for registration in an additional category, or to surrender a registration category, must make the application by submitting a completed Form 33-109F2 to the regulator or, in Québec, the securities regulatory authority in accordance with Regulation 31-102 respecting National Registration Database.

#### **2.5. Permitted Individuals**

(1) A permitted individual must submit a completed Form 33-109F4 to the regulator or, in Québec, the securities regulatory authority in accordance with Regulation 31-102 respecting National Registration Database, no more than 7 days after becoming a permitted individual, unless the individual submits a Form 33-109F7 in accordance with subsection (2).

(2) An individual who has ceased to be a permitted individual of a former sponsoring firm and becomes a permitted individual of a new sponsoring firm may submit a completed Form 33-109F7 to the regulator or, in Québec, the securities regulatory authority if all of the following apply:

(a) the Form 33-109F7 is submitted in accordance with Regulation 31-102 respecting National Registration Database

(i) no more than 7 days after becoming a permitted individual of the new sponsoring firm, and

(ii) no more than 90 days after the cessation date;

(b) the individual holds the same permitted individual status with the new sponsoring firm that they held with the former sponsoring firm;

(c) the conditions described in paragraphs (b) and (c) of subsection 2.3(2) are met.

## **2.6. Commodity Futures Act Registrants**

(1) In Manitoba and Ontario, despite subsection 2.1(b), if a firm applies for registration under section 2.1 and is registered, in Manitoba, under the *Commodity Futures Act* (C.C.S.M. c. C152) and, in Ontario, under the *Commodity Futures Act* (R.S.O. 1990, c. C.20), the applicant is not required to submit a completed Form 33-109F3 under section 3.2 for any business location of the applicant that is recorded on NRD.

(2) In Manitoba and Ontario, despite subsection 2.2(1), if an individual applies for registration under securities legislation and is recorded on NRD with his or her sponsoring firm as registered in Manitoba, under the *Commodity Futures Act* (C.C.S.M. c. C152) and, in Ontario, under the *Commodity Futures Act* (R.S.O. 1990, c. C.20), the individual must make the application by submitting a completed Form 33-109F2 to the regulator in accordance with Regulation 31-102 respecting National Registration Database.

## **PART 3 CHANGES TO REGISTERED FIRM INFORMATION**

### **3.1. Notice of Change to a Firm's Information**

(1) Subject to subsections (3) or (4), a registered firm must notify the regulator or, in Québec, the securities regulatory authority of a change to any information previously submitted in Form 33-109F6 or under this subsection, as follows:

(a) for a change previously submitted in relation to part 3 of Form 33-109F6, within 30 days of the change;

(b) for a change previously submitted in relation to any other part of Form 33-109F6, within 7 days of the change.

(2) A notice of change referred to in subsection (1) must be made by submitting a completed Form 33-109F5.

(3) A notice of change is not required under subsection (1) if the change relates to any of the following:

(a) a business location other than the head office of the firm if the firm submits a completed Form 33-109F3 under section 3.2;

(b) a termination, or a change, of a registered firm's employment, partnership or agency relationship with an officer, partner or director of the registered firm if the firm submits a completed Form 33-109F1 under subsection 4.2(1);

(c) the addition of an officer, partner, or director to the registered firm if that individual submits either of the following:

(i) a completed Form 33-109F4 under subsection 2.2(1) or 2.5(1);

(ii) a completed Form 33-109F7 under subsection 2.3(2) or 2.5(2);

(d) the information in the supporting documents referred to in any of the following items of Form 33-109F6:

(i) item 3.3 relating to business documents;

(ii) item 5.1 relating to calculation of excess working capital;

(iii) item 5.7 relating to directors' resolution for insurance;

(iv) item 5.13 relating to audited financial statements;

(v) item 5.14 relating to letter of direction to auditors.

(4) A person that submitted a completed Schedule B to Form 33-109F6 must notify the regulator or, in Québec, the securities regulatory authority of a change to the information previously submitted in item 3 or item 4 of that schedule by submitting a completed Schedule B no more than 7 days after the change;

(5) Subsection (4) does not apply to a person after they have ceased to be registered for a period of 6 years or more.

(6) For the purpose of subsections (2) and (4), the person may give the notice by submitting it to the principal regulator.

### **3.2. Changes to Business Locations**

A registered firm must notify the regulator or, in Québec, the securities regulatory authority of the opening of a business location, other than a new head office, or of a change to any information previously submitted in Form 33-109F3, by submitting a completed Form 33-109F3 to the regulator or, in Québec, the securities regulatory authority in accordance with Regulation 31-102 respecting National Registration Database, within 7 days of the opening of the business location or change.

## **PART 4 CHANGES TO REGISTERED INDIVIDUAL AND PERMITTED INDIVIDUAL INFORMATION**

### **4.1. Notice of Change to an Individual's Information**

(1) Subject to subsection (2), a registered individual or permitted individual must notify the regulator or, in Québec, the securities regulatory authority of a change to any information previously submitted in respect of the individual's Form 33-109F4 as follows:

(a) for a change of information previously submitted in items 4 and 11 of Form 33-109F4, within 30 days of the change;

(b) for a change of information previously submitted in any other items of Form 33-109F4, within 7 days of the change.

(2) A notice of change is not required under subsection (1) if the change relates to information previously submitted in item 3 of Form 33-109F4.

(3) A notice of change under subsection (1) must be made by submitting a completed Form 33-109F5 to the regulator or, in Québec, the securities regulatory authority in accordance with Regulation 31-102 respecting National Registration Database.

(4) Despite subsection (3), a notice of change referred to in subsection (1) must be made by submitting a completed Form 33-109F2 to the regulator or, in Québec, the securities regulatory authority in accordance with Regulation 31-102 respecting National Registration Database if the change relates to

- (a) an individual's status as a permitted individual of the sponsoring firm, or
- (b) a registered individual's status as an officer, partner, director or shareholder of the sponsoring firm.

#### **4.2. Termination of Employment, Partnership or Agency Relationship**

(1) A registered firm must notify the regulator or, in Québec, the securities regulatory authority of the end of, or a change in, a sponsored individual's employment, partnership, or agency relationship with the firm if the individual ceases to have authority to act on behalf of the firm as a registered individual or permitted individual by submitting a Form 33-109F1 to the regulator or, in Québec, the securities regulatory authority in accordance with Regulation 31-102 respecting National Registration Database with

- (a) items 1 through 4 completed, and
- (b) item 5 completed unless the reason for termination under item 4 was death or retirement of the individual or the completion or expiry of an employment or agency contract.

(2) A registered firm must submit to the regulator or, in Québec, the securities regulatory authority the information required under

- (a) subsection (1)(a), within 7 days of the cessation date, and
- (b) subsection (1)(b), within 30 days of the cessation date.

(3) A person must, within 7 days of a request from an individual for whom the person was the former sponsoring firm, provide to the individual a copy of the Form 33-109F1 that the person submitted under subsection (1) in respect of that individual.

(4) If a person completed and submitted the information in item 5 of a Form 33-109F1 in respect of an individual who made a request under subsection (3) and that information was not included in the initial copy provided to the individual, the person must provide to that individual a further copy of the completed Form 33-109F1, including the information in item 5, within the later of

- (a) 7 days after the request by the individual under subsection (3), and
- (b) 7 days after the submission pursuant to subsection (2)(b).

## **PART 5 DUE DILIGENCE AND RECORD-KEEPING**

### **5.1. Sponsoring Firm Obligations**

(1) A sponsoring firm must make reasonable efforts to ensure the truth and completeness of information that is submitted in accordance with this Regulation for any individual.

(2) A sponsoring firm must obtain from each individual who is registered to act on behalf of the firm, or who is a permitted individual of the firm, a copy of the Form 33-109F1 most recently submitted by the individual's former sponsoring firm in respect of that individual, if any, within 60 days of the firm becoming the individual's sponsoring firm.

(3) A sponsoring firm must retain all documents used by the firm to satisfy its obligation under subsection (1),

(a) in the case of a registered individual, for no less than 7 years after the individual ceases to be registered to act on behalf of the firm,

(b) in the case of an individual who applied for registration but whose registration was refused by the regulator or, in Québec, the securities regulatory authority, for no less than 7 years after the individual applied for registration, or

(c) in the case of a permitted individual, for no less than 7 years after the individual ceases to be a permitted individual with the firm.

(4) Without limiting subsection (3), if a registered individual, an individual applying for registration, or a permitted individual appoints an agent for service, the sponsoring firm must keep the original Appointment of Agent for Service executed by the individual for the period of time set out in paragraph (3)(b).

(5) A sponsoring firm that retains a document under subsection (3) or (4) for an NRD submission must record the NRD submission number on the first page of the document.

## **PART 6 TRANSITION**

### **6.1. All Registered Firms to File Form 33-109F6 – September 30, 2010**

A registered firm that was registered before this Regulation came into force must submit a completed Form 33-109F6 to the regulator or, in Québec, the securities regulatory authority on or before September 30, 2010.



## 6.2. Notice of Change for Firms Registered before September 28, 2009

(1) In this section, “Form 3” means the form that a firm submitted before this Regulation came into force to apply for registration as a dealer, adviser or underwriter in the jurisdiction that, at the time the application was made, would have been the firm’s principal jurisdiction under this Regulation.

(2) Subject to subsection (5), a registered firm that was registered in a jurisdiction of Canada before this Regulation came into force and that has not submitted a completed Form 33-109F6 to the regulator or, in Québec, the securities regulatory authority, must notify the regulator or, in Québec, the securities regulatory authority of a change to any information previously submitted

(a) in a notice of agent and address for service, by submitting to the regulator a completed Schedule B to Form 33-109F6, no more than 7 days after the change;

(b) in Form 3 or in any notice of change to information in that form submitted to the regulator or, in Québec, the securities regulatory authority, as follows:

(i) for a change of information equivalent to the information referred to in part 3 of Form 33-109F6, within 30 days of the change;

(ii) for a change of information equivalent to the information referred to in any other part of Form 33-109F6, within 7 days of the change.

(3) A registered firm referred to in subsection (2) must notify the regulator or, in Québec, the securities regulatory authority of a change in its auditor or financial year-end within 7 days of the change.

(4) For the purpose of subsections (2) and (3) the firm may give the notice by submitting it to the principal regulator.

(5) A notice of change is not required under subsection (2) if the change relates to any of the following:

(a) the addition of an officer, partner, or director to the registered firm if that individual

(i) submits a completed Form 33-109F4 under subsection 2.2(1) or 2.5(1), or

(ii) submits a completed Form 33-109F7 under subsection 2.3(2) or 2.5(2);

(b) a termination, or a change, of a registered firm's employment, partnership or agency relationship with an officer, partner or director of the registered firm if the firm submits a completed Form 33-109F1 under subsection 4.2(1);

(c) a business location other than the head office of the firm if the firm submits a completed Form 33-109F3 under section 3.2;

(d) information equivalent to the information referred to in section 3.1(3)(d).

### **6.3. National Registration Database Transition Period**

(1) In this section, "NRD access date" means the first day following September 25, 2009 that an NRD filer has access to NRD to make NRD submissions.

(2) A notice submitted by an NRD filer before September 25, 2009, and not accepted or denied by the regulator or, in Québec, the securities regulatory authority by that date must be resubmitted, as if the time required for the submission had fallen within the period commencing on September 25, 2009 and ending on the day before the NRD access date, in accordance with subsections (3), (4) and (6) as applicable.

(3) Except in the case of a notice referred to in subsection (4), if the time required for making either of the following submissions falls within the period commencing on September 25, 2009 and ending on the day before the NRD access date, the time for making the submission is extended to the 45<sup>th</sup> day following the NRD access date:

(a) a notice that is required to be submitted in NRD format;

(b) a Form 33-109F4 that is required to be submitted under subsection 2.5(1).

(4) If the time required for making either of the following submissions falls within the period commencing on September 25, 2009 and ending on the day before the NRD access date, the submission must be made other than through the NRD website:

(a) a notice of change referred to in subsection 4.1(1) from a registered individual, if the change relates to previously submitted information about any of the following items of the individual's Form 33-109F4:

(i) item 14 relating to criminal disclosure;

(ii) item 15 relating to civil disclosure;

(iii) item 16 relating to financial disclosure;

(b) a notice of termination referred to in subsection 4.2(1) from a former sponsoring firm, within the time required under subsection 4.2(2), if the individual's employment, partnership or agency relationship with the firm ended because the individual resigned or was dismissed for cause.

(5) From September 28, 2009 to the day before the NRD access date, an individual may submit any of the following to the regulator or, in Québec, the securities regulatory authority other than through the NRD website:

- (a) Form 33-109F7;
- (b) Form 33-109F2;
- (c) Form 33-109F4 other than under subsection 2.5(1).

(6) If an NRD filer makes a submission other than through the NRD website under subsection (4) or (5), the NRD filer must resubmit the information in NRD format to the regulator or, in Québec, the securities regulatory authority as follows:

- (a) for a Form 33-109F7 submitted under paragraph (5)(a),
  - (i) if the cessation date was on or after September 28, 2009, by submitting a completed Form 33-109F7 no later than 30 days after the NRD access date;
  - (ii) if the cessation date was before September 28, 2009, by submitting a completed Form 33-109F4 no later than 30 days after the NRD access date;
- (b) for any other submission, no later than 30 days after the NRD access date.

#### **6.4. Transition – Reinstatement under Subsections 2.3(2) and 2.5(2)**

(1) From the NRD access date to December 28, 2009 an individual referred to in subsection 2.3(2) who seeks reinstatement of registration under subsection 2.3(2) must submit a completed Form 33-109F4 to the regulator or, in Québec, the securities regulatory authority in accordance with Regulation 31-102 respecting National Registration Database, if the cessation date occurred before September 28, 2009.

(2) For greater certainty, the registration of an individual who makes a submission under subsection (1) is reinstated in accordance with subsection 2.3(2) only if all of the conditions in paragraphs (a) through (e) of subsection 2.3(2) are met.

(3) Subsection 2.5(2) does not apply to a permitted individual whose cessation date occurred before September 28, 2009.

## **PART 7 EXEMPTION**

### **7.1. Exemption**

(1) The regulator or the securities regulatory authority may grant an exemption from this Regulation, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

(2) Despite subsection (1), in Ontario, only the regulator may grant such an exemption.

(3) Except in Ontario, an exemption referred to in subsection (1) is granted under the statute referred to in Appendix B of Regulation 14-101 respecting Definitions adopted pursuant to decision No. 2001-C-0274 dated June 12, 2001, opposite the name of the local jurisdiction.

## **PART 8 REPEAL AND EFFECTIVE DATE**

### **8.1. Repeal**

Regulation 33-109 respecting Registration Information approved by Ministerial Order No. 2007-05 dated June 21, 2007 is repealed.

### **8.2 Effective Date**

This Regulation comes into force on the day Regulation 31-103 respecting Registration Requirements and Exemptions comes into force.

**FORM 33-109F1**  
**NOTICE OF TERMINATION OF REGISTERED INDIVIDUALS**  
**AND PERMITTED INDIVIDUALS**  
**(section 4.2)**

**GENERAL INSTRUCTIONS**

Complete and submit this form to notify the relevant regulator(s) or, in Québec, the securities regulatory authority, or self-regulatory organization (SRO) that a registered individual or permitted person has left their sponsoring firm.

**Terms**

In this form, “cessation date” (or “effective date of termination”) means the first day on which an individual ceased to have authority to act as a registered individual on behalf of their sponsoring firm or ceased to be a permitted individual of their sponsoring firm, because of the end of, or a change in, the individual’s employment, partnership, or agency relationship with the firm;

**How to submit the form**

Submit this form at the National Registration Database (NRD) website in NRD format at [www.nrd.ca](http://www.nrd.ca).

If you are relying on the temporary hardship exemption in section 5.1 of National Instrument 31-102 [*National Registration Database*], you may submit this form in a format other than NRD format.

**When to submit the form**

You must submit the responses to Item 1, Item 2, Item 3 and Item 4 within five business days of the effective date of termination.

If you are required to complete Item 5, you must submit those responses within 30 days of the termination date. If you are submitting the responses to Item 5, in NRD format, after Items 1 to 4 have been submitted at NRD, use the NRD submission type called “Update/Correct Termination Information” to complete Item 5 of this form.

**Item 1 Terminating firm**

1. Name \_\_\_\_\_
2. NRD number \_\_\_\_\_

**Item 2 Terminated individual**

1. Name \_\_\_\_\_
2. NRD number \_\_\_\_\_

**Item 3 Business location of the terminated individual**

1. Address \_\_\_\_\_
2. NRD number \_\_\_\_\_

**Item 4 Date and reason for termination**

1. Cessation date / Effective date of termination \_\_\_\_\_  
(YYYY/MM/DD)

This is the first day that the individual ceased to have authority to act in a registerable capacity on behalf of the firm or ceased to be a permitted individual.

2. Reason for termination / cessation (check one):

- |   |                          |
|---|--------------------------|
| Resigned - voluntary                    | <input type="checkbox"/> |
| Resigned - at the firm's request        | <input type="checkbox"/> |
| Dismissed in good standing              | <input type="checkbox"/> |
| Dismissed for cause                     | <input type="checkbox"/> |
| Completed temporary employment contract | <input type="checkbox"/> |
| Retired                                 | <input type="checkbox"/> |
| Deceased                                | <input type="checkbox"/> |
| Other                                   | <input type="checkbox"/> |

**Item 5 Details about the termination**

Complete Item 5 only if the individual resigned, was dismissed (whether or not for cause), or if the reason for termination under Item 4.2 was “Other”. In the space below:

- state the reason(s) for the resignation, dismissal or “Other” reason for termination and
- provide details if the answer to any of the following questions is “Yes”.

*[For NRD Format only:]*

This information will be disclosed within 30 days of the effective date of termination

Not applicable: completed temporary employment contract, retired or deceased

Answer the following questions to the best of the firm’s knowledge.

In the past 12 months:

	<b>Yes</b>	<b>No</b>
1. Was the individual charged with any criminal offence	<input type="checkbox"/>	<input type="checkbox"/>
2. Was the individual the subject of any investigation by any securities or financial industry regulator?	<input type="checkbox"/>	<input type="checkbox"/>
3. Was the individual subject to any significant internal disciplinary measures at the firm or at any affiliate of the firm related to the individual’s activity as a registrant?	<input type="checkbox"/>	<input type="checkbox"/>
4. Were there any written complaints, civil claims and/or arbitration notices filed against the individual or against the firm about the individual’s securities-related activities that occurred while the individual was registered or a permitted individual authorized to act on behalf of the firm?	<input type="checkbox"/>	<input type="checkbox"/>
5. Does the individual have any undischarged financial obligations to clients of the firm?	<input type="checkbox"/>	<input type="checkbox"/>
6. Has the firm or any affiliate of the firm suffered significant monetary loss or harm to its reputation as a result of the individual’s actions?	<input type="checkbox"/>	<input type="checkbox"/>

7. Did the firm or any affiliate of the firm investigate the individual   relating to possible material violations of fiduciary duties, regulatory requirements or the compliance policies and procedures of the firm or any affiliate of the firm? Examples include making unsuitable trades or investment recommendations, stealing or borrowing client money or securities, hiding losses from clients, forging client signatures, money laundering, deliberately making false representations and engaging in undisclosed outside business activity.
8. Did the individual repeatedly fail to follow compliance policies and   procedures of the firm or any affiliate of the firm?
9. Did the individual engage in discretionary management of client   accounts or otherwise engage in registerable activity without appropriate registration or without the firm's authorization?

Reasons/Details: \_\_\_\_\_

#### **Item 6 Notice of collection and use of personal information**

The personal information required under this form is collected on behalf of, and used by, the securities regulatory authorities in the jurisdictions set out in Schedule A to administer and enforce certain provisions of their securities legislation or derivatives legislation or both.

The personal information required under this form is also collected by and used by the SROs set out in Schedule A to administer and enforce their respective by-laws, regulations, rules, rulings and policies.

By submitting this form, the individual consents to the collection by the securities regulatory authorities or applicable SRO of this personal information, and any police records, records from other government or non-governmental regulators or SROs, credit records and employment records about the individual that the securities regulatory authorities or applicable SRO may need to complete their review of the information submitted in this form relating to the individual's continued fitness for registration or approval, if applicable, in accordance with the legal authority of the securities regulatory authorities while the individual is registered with or approved by it as the case may be. Securities regulatory authorities or SROs may contact government and private bodies or agencies, individuals, corporations and other organizations for information about the individual.



If you have any questions about the collection and use of this information, contact the securities regulatory authorities or applicable SRO in any jurisdiction in which the required information is submitted. See Schedule A for details. In Québec, you can also contact the Commission d'accès à l'information at 1-888-528-7741 or visit its website at [www.cai.gouv.qc.ca](http://www.cai.gouv.qc.ca).

### Item 7 Warning

**It is an offence under securities legislation and/or derivatives legislation, including commodity futures legislation to give false or misleading information on this form.**

### Item 8 Certification

#### Certification-NRD format:

I am making this submission as agent for the firm. By checking this box, I certify that the firm provided me with all of the information on this form.

#### Certification-Format other than NRD format:

By signing below I certify to the regulator or, in Québec, the securities regulatory authority, in each jurisdiction where I am submitting this form for the firm, either directly or through the principal regulator, that:

- I have read this form and understand the questions, and
- all of the information provided on this form is true and complete.

\_\_\_\_\_  
Name of firm

\_\_\_\_\_  
Name of authorized signing officer or partner

\_\_\_\_\_  
Title of authorized signing officer or partner

\_\_\_\_\_  
Signature of authorized signing officer or partner

\_\_\_\_\_  
Date signed (YYYY/MM/DD)

**SCHEDULE A****Contact information for Notice of collection and use of personal information****Alberta**

Alberta Securities Commission,  
4th Floor, 300 - 5th Avenue SW  
Calgary, AB T2P 3C4  
Attention: Information Officer  
Telephone: (403) 355-4151

**British Columbia**

British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC V7Y 1L2  
Attention: Freedom of Information Officer  
Telephone: (604) 899-6500 or (800) 373-6393 (in BC)

**Manitoba**

The Manitoba Securities Commission  
500 - 400 St. Mary Avenue  
Winnipeg, MB R3C 4K5  
Attention: Director of Registrations  
Telephone (204) 945-2548  
Fax (204) 945-0330

**New Brunswick**

New Brunswick Securities Commission  
Suite 300, 85 Charlotte Street  
Saint John, NB E2L 2J2  
Attention: Director, Regulatory Affairs  
Telephone: (506) 658-3060

**Newfoundland and Labrador**

Securities NL  
Financial Services Regulation Division  
Department of Government Services  
P.O. Box 8700, 2nd Floor, West Block  
Confederation Building  
St. John's, NL A1B 4J6  
Attention: Manager of Registrations  
Tel: (709) 729-5661

**Nunavut**

Legal Registries Division  
Department of Justice  
Government of Nunavut  
P.O. Box 1000 Station 570  
Iqaluit, NU X0A 0H0  
Attention: Deputy Registrar of Securities  
Telephone: (867) 975-6590

**Ontario**

Ontario Securities Commission  
Suite 1903, Box 55  
20 Queen Street West  
Toronto, ON M5H 3S8  
Attention: FOI Coordinator  
Telephone: (416) 593-8314

**Prince Edward Island**

Securities Registry  
Office of the Attorney General B Consumer,  
Corporate and  
Insurance Services Division  
P.O. Box 2000  
Charlottetown, PE C1A 7N8  
Attention: Deputy Registrar of Securities  
Telephone: (902) 368-6288

**Québec**

Autorité des marchés financiers  
800, square Victoria, 22e étage  
C.P. 246, tour de la Bourse  
Montréal (Québec) H4Z 1G3  
Attention: Responsable de l'accès à l'information  
Telephone: (514) 395-0337 or  
(877) 525-0337 (in Québec)

**Saskatchewan**

Saskatchewan Financial Services Commission  
Suite 601, 1919 Saskatchewan Drive  
Regina, SK S4P 4H2  
Attention: Director  
Telephone: (306) 787-5842

**Nova Scotia**

Nova Scotia Securities Commission  
2nd Floor, Joseph Howe Building  
1690 Hollis Street  
P.O. Box 458  
Halifax, NS B3J 2P8  
Attention: Deputy Director, Capital Markets  
Telephone: (902) 424-7768

**Northwest Territories**

Government of the Northwest Territories  
P.O. Box 1320  
Yellowknife, NWT X1A 2L9  
Attention: Deputy Superintendent of Securities  
Telephone: (867) 920-8984

**Yukon**

Yukon Securities Office  
Department of Community Services  
P.O. Box 2703 C-6  
Whitehorse, YT Y1A 2C6  
Attention: Superintendent of Securities  
Telephone: (867) 667-5225

**Self-regulatory organization**

Investment Industry Regulatory Organization of  
Canada  
121 King Street West, Suite 1600  
Toronto, Ontario M5H 3T9  
Attention: Privacy Officer  
Telephone: (416) 364-6133  
E-mail: PrivacyOfficer@iiroc.ca

**FORM 33-109F2**  
**CHANGE OR SURRENDER OF INDIVIDUAL CATEGORIES**  
**(section 4.2 or 2.2(2) or 2.5(2))**

**GENERAL INSTRUCTIONS**

Complete and submit this form to notify the relevant regulator(s) or, in Québec, the securities regulatory authority, or self-regulatory organization (SRO) that a registered individual or permitted individual seeks to add and/or remove individual registration categories or permitted activities.

**Terms**

In this form, “you”, “your” and “individual” mean the registered individual or permitted individual who is seeking to add and/or remove registration categories or permitted activities.

**How to submit this form**

Submit this form at the National Registration Database (NRD) website in NRD format at [www.nrd.ca](http://www.nrd.ca).

If you are relying on the temporary hardship exemption in section 5.1 of National Instrument 31-102, you may submit this form in a format other than NRD format.

**Item 1 Individual**

Name of individual \_\_\_\_\_

NRD number of individual \_\_\_\_\_

**Item 2 Registration jurisdictions**

1. Are you filing this form under the passport system / interface for registration?

Only choose “no” if you are registered in:

(a) only one jurisdiction of Canada, or

(b) more than one jurisdiction of Canada and you are requesting a change or surrender:

(i) in a non-principal jurisdiction or jurisdictions, but not in your principal jurisdiction.

Yes  No

2. Check each jurisdiction where you are seeking the change or surrender of individual categories of registration.

- Alberta
- British Columbia
- Manitoba
- New Brunswick
- Newfoundland and Labrador
- Northwest Territories
- Nova Scotia
- Nunavut
- Ontario
- Prince Edward Island
- Québec
- Saskatchewan
- Yukon

**Item 3 Removing categories**

What categories are you seeking to remove?

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**Item 4 Adding categories**

1. What categories are you seeking to add?

---

2. If you are seeking registration as a representative of a mutual fund dealer or of a scholarship plan dealer in Québec, are you covered by your sponsoring firm's professional liability insurance?

Yes  No

If "No", state:

The name of your insurer \_\_\_\_\_

Your policy number \_\_\_\_\_

### **Item 5 Reason for surrender**

If you are seeking to remove a category or permitted activity, state the reason for the surrender in the local jurisdiction.

\_\_\_\_\_

### **Item 6 Notice of collection and use of personal information**

The personal information required under this form is collected on behalf of, and used by, the securities regulatory authorities in the jurisdictions set out in Schedule A to administer and enforce certain provisions of their securities legislation or derivatives legislation or both.

The personal information required under this form is also collected by and used by the SROs set out in Schedule A to administer and enforce their respective by-laws, regulations, rules, rulings and policies.

By submitting this form, the individual consents to the collection by the securities regulatory authorities or applicable SRO of this personal information, and any police records, records from other government or non-governmental regulators or SROs, credit records and employment records about the individual that the securities regulatory authorities or applicable SRO may need to complete their review of the information submitted in this form relating to the individual's continued fitness for registration or approval, if applicable, in accordance with the legal authority of the securities regulatory authorities while the individual is registered with or approved by it. Securities regulatory authorities or SROs may contact government and private bodies or agencies, individuals, corporations and other organizations for information about the individual.

If you have any questions about the collection and use of this information, contact the securities regulatory authorities or applicable SRO in any jurisdiction in which the required information is submitted. See Schedule A for details. In Québec, you can also

contact the Commission d'accès à l'information at 1-888-528-7741 or visit its website at [www.cai.gouv.qc.ca](http://www.cai.gouv.qc.ca).

### **Item 7 Warning**

**It is an offence under securities legislation and/or derivatives legislation, including commodity futures legislation to give false or misleading information on this form.**

### **Item 8 Certification**

#### **Certification-NRD format:**

I confirm I have discussed the questions in this form with an officer, branch manager or supervisor of my sponsoring firm. To the best of my knowledge and belief, the officer, branch manager or supervisor was satisfied that I fully understood the questions. I will limit my activities to those permitted by my category of registration.

I am making this submission as agent for the individual identified in this form. By checking this box, I certify that the individual provided me with all of the information on this form.

#### **Certification-Format other than NRD format:**

By signing below:

1. I certify to the regulator or, in Québec, the securities regulatory authority, in each jurisdiction where I am submitting this form, either directly or through the principal regulator, that:

- I have read this form and understand the questions, and
- all of the information provided on this form is true, and complete.

2. I confirm I have discussed the questions in this form with an officer, branch manager or supervisor of my sponsoring firm. To the best of my knowledge and belief, the officer, branch manager or supervisor was satisfied that I fully understood the questions. I will limit my activities to those permitted by my category of registration.

---

Signature of individual

---

Date signed (YYYY/MM/DD)

By signing below, I certify to the regulator or, in Québec, the securities regulatory authority, in each jurisdiction where I am submitting this form for the individual, either directly or through the principal regulator, that:

1. the individual identified in this form will be engaged by the firm as a registered individual, or a non registered individual, and
2. I have, or a branch manager or supervisor or another officer or partner has, discussed the questions set out in this form with the individual. To the best of my knowledge and belief, the individual fully understands the questions.

---

Name of firm

---

Name of authorized signing officer or partner

---

Title of authorized signing officer or partner

---

Signature of authorized signing officer or partner

---

Date signed (YYYY/MM/DD)



**SCHEDULE A****Contact information for Notice of collection and use of personal information****Alberta**

Alberta Securities Commission,  
4th Floor, 300 - 5th Avenue SW  
Calgary, AB T2P 3C4  
Attention: Information Officer  
Telephone: (403) 355-4151

**British Columbia**

British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC V7Y 1L2  
Attention: Freedom of Information Officer  
Telephone: (604) 899-6500 or (800) 373-6393 (in BC)

**Manitoba**

The Manitoba Securities Commission  
500 - 400 St. Mary Avenue  
Winnipeg, MB R3C 4K5  
Attention: Director of Registrations  
Telephone (204) 945-2548  
Fax (204) 945-0330

**New Brunswick**

New Brunswick Securities Commission  
Suite 300, 85 Charlotte Street  
Saint John, NB E2L 2J2  
Attention: Director, Regulatory Affairs  
Telephone: (506) 658-3060

**Newfoundland and Labrador**

Securities NL  
Financial Services Regulation Division  
Department of Government Services  
P.O. Box 8700, 2nd Floor, West Block  
Confederation Building  
St. John's, NL A1B 4J6  
Attention: Manager of Registrations  
Tel: (709) 729-5661

**Nunavut**

Legal Registries Division  
Department of Justice  
Government of Nunavut  
P.O. Box 1000 Station 570  
Iqaluit, NU X0A 0H0  
Attention: Deputy Registrar of Securities  
Telephone: (867) 975-6590

**Ontario**

Ontario Securities Commission  
Suite 1903, Box 55  
20 Queen Street West  
Toronto, ON M5H 3S8  
Attention: FOI Coordinator  
Telephone: (416) 593-8314

**Prince Edward Island**

Securities Registry  
Office of the Attorney General B Consumer,  
Corporate and  
Insurance Services Division  
P.O. Box 2000  
Charlottetown, PE C1A 7N8  
Attention: Deputy Registrar of Securities  
Telephone: (902) 368-6288

**Québec**

Autorité des marchés financiers  
800, square Victoria, 22e étage  
C.P. 246, tour de la Bourse  
Montréal (Québec) H4Z 1G3  
Attention: Responsable de l'accès à l'information  
Telephone: (514) 395-0337 or  
(877) 525-0337 (in Québec)

**Saskatchewan**

Saskatchewan Financial Services Commission  
Suite 601, 1919 Saskatchewan Drive  
Regina, SK S4P 4H2  
Attention: Director  
Telephone: (306) 787-5842

**Nova Scotia**

Nova Scotia Securities Commission  
2nd Floor, Joseph Howe Building  
1690 Hollis Street  
P.O. Box 458  
Halifax, NS B3J 2P8  
Attention: Deputy Director, Capital Markets  
Telephone: (902) 424-7768

**Northwest Territories**

Government of the Northwest Territories  
P.O. Box 1320  
Yellowknife, NWT X1A 2L9  
Attention: Deputy Superintendent of Securities  
Telephone: (867) 920-8984

**Yukon**

Yukon Securities Office  
Department of Community Services  
P.O. Box 2703 C-6  
Whitehorse, YT Y1A 2C6  
Attention: Superintendent of Securities  
Telephone: (867) 667-5225

**Self-regulatory organization**

Investment Industry Regulatory Organization of  
Canada  
121 King Street West, Suite 1600  
Toronto, Ontario M5H 3T9  
Attention: Privacy Officer  
Telephone: (416) 364-6133  
E-mail: PrivacyOfficer@iiroc.ca

**FORM 33-109F3**  
**BUSINESS LOCATIONS OTHER THAN HEAD OFFICE**  
**(section 3.2)**

**GENERAL INSTRUCTIONS**

Complete and submit this form to notify the relevant regulator(s) or, in Québec, the securities regulatory authority, or self-regulatory organization (SRO) that a business location has opened or closed, or information about a business location has changed.

Check one of the following and complete the entire form:

- Opening this business location
- Closing this business location
- Change to the information previously submitted about this business location. Clearly specify the information that has changed.

**How to submit this form**

Submit this form at the National Registration Database (NRD) website in NRD format at [www.nrd.ca](http://www.nrd.ca).

If you are relying on the temporary hardship exemption in section 5.1 of National Instrument 31-102, you may complete and submit this form in a format other than NRD format.

**Item 1 Type of business location**

Branch or Business Location

Sub-branch

**Item 2 Supervisor or branch manager**

Name of designated supervisor or branch manager \_\_\_\_\_

NRD number of the designated supervisor or branch manager \_\_\_\_\_

**Item 3 Business location information**

Business address \_\_\_\_\_

Mailing address (if different from business address) \_\_\_\_\_

Telephone number (     ) \_\_\_\_\_

Fax number (     ) \_\_\_\_\_

**Item 4 Notice of collection and use of personal information**

The personal information required under this form is collected on behalf of, and used by, the securities regulatory authorities in the jurisdictions set out in Schedule A to administer and enforce certain provisions of their securities legislation or derivatives legislation or both.

The personal information required under this form is also collected by and used by the SROs set out in Schedule A to administer and enforce their respective by-laws, regulations, rules, rulings and policies.

By submitting this form, the individual consents to the collection by the securities regulatory authorities or applicable SRO of this personal information, and any police records, records from other government or non-governmental regulators or SROs, credit records and employment records about the individual that the securities regulatory authorities or applicable SRO may need to complete their review of the information submitted in this form relating to the individual's continued fitness for registration or approval, if applicable, in accordance with the legal authority of the securities regulatory authorities while the individual is registered with or approved by it. Securities regulatory authorities or SROs may contact government and private bodies or agencies, individuals, corporations and other organizations for information about the individual.

If you have any questions about the collection and use of this information, contact the securities regulatory authorities or applicable SRO in any jurisdiction in which the required information is submitted. See Schedule A for details. In Québec, you can also contact the Commission d'accès à l'information at 1-888-528-7741 or visit its website at [www.cai.gouv.qc.ca](http://www.cai.gouv.qc.ca).

**Item 5 Warning**

**It is an offence under securities legislation and/or derivatives legislation, including commodity futures legislation to give false or misleading information on this form.**

**Item 6 Certification****Certification-NRD format:**

I am making this submission as agent for the firm. By checking this box, I certify that the firm provided me with all of the information on this form.

**Certification-Format other than NRD format:**

By signing below, I certify to the securities regulator or, in Québec, the securities regulatory authority, in each jurisdiction where I am submitting this form for the firm, either directly or through the principal regulator, that:

- I have read this form and understand the questions, and
- all of the information provided on this form is true, and complete.

---

Name of firm

---

Name of authorized signing officer or partner

---

Title of authorized signing officer or partner

---

Signature of authorized signing officer or partner

---

Date signed (YYYY/MM/DD)

**SCHEDULE A****Contact information for Notice of collection and use of personal information****Alberta**

Alberta Securities Commission,  
4th Floor, 300 - 5th Avenue SW  
Calgary, AB T2P 3C4  
Attention: Information Officer  
Telephone: (403) 355-4151

**British Columbia**

British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC V7Y 1L2  
Attention: Freedom of Information Officer  
Telephone: (604) 899-6500 or (800) 373-6393 (in BC)

**Manitoba**

The Manitoba Securities Commission  
500 - 400 St. Mary Avenue  
Winnipeg, MB R3C 4K5  
Attention: Director of Registrations  
Telephone (204) 945-2548  
Fax (204) 945-0330

**New Brunswick**

New Brunswick Securities Commission  
Suite 300, 85 Charlotte Street  
Saint John, NB E2L 2J2  
Attention: Director, Regulatory Affairs  
Telephone: (506) 658-3060

**Newfoundland and Labrador**

Securities NL  
Financial Services Regulation Division  
Department of Government Services  
P.O. Box 8700, 2nd Floor, West Block  
Confederation Building  
St. John's, NL A1B 4J6  
Attention: Manager of Registrations  
Tel: (709) 729-5661

**Nunavut**

Legal Registries Division  
Department of Justice  
Government of Nunavut  
P.O. Box 1000 Station 570  
Iqaluit, NU X0A 0H0  
Attention: Deputy Registrar of Securities  
Telephone: (867) 975-6590

**Ontario**

Ontario Securities Commission  
Suite 1903, Box 55  
20 Queen Street West  
Toronto, ON M5H 3S8  
Attention: FOI Coordinator  
Telephone: (416) 593-8314

**Prince Edward Island**

Securities Registry  
Office of the Attorney General B Consumer,  
Corporate and  
Insurance Services Division  
P.O. Box 2000  
Charlottetown, PE C1A 7N8  
Attention: Deputy Registrar of Securities  
Telephone: (902) 368-6288

**Québec**

Autorité des marchés financiers  
800, square Victoria, 22e étage  
C.P. 246, tour de la Bourse  
Montréal (Québec) H4Z 1G3  
Attention: Responsable de l'accès à l'information  
Telephone: (514) 395-0337 or  
(877) 525-0337 (in Québec)

**Saskatchewan**

Saskatchewan Financial Services Commission  
Suite 601, 1919 Saskatchewan Drive  
Regina, SK S4P 4H2  
Attention: Director  
Telephone: (306) 787-5842

**Nova Scotia**

Nova Scotia Securities Commission  
2nd Floor, Joseph Howe Building  
1690 Hollis Street  
P.O. Box 458  
Halifax, NS B3J 2P8  
Attention: Deputy Director, Capital Markets  
Telephone: (902) 424-7768

**Northwest Territories**

Government of the Northwest Territories  
P.O. Box 1320  
Yellowknife, NWT X1A 2L9  
Attention: Deputy Superintendent of Securities  
Telephone: (867) 920-8984

**Yukon**

Yukon Securities Office  
Department of Community Services  
P.O. Box 2703 C-6  
Whitehorse, YT Y1A 2C6  
Attention: Superintendent of Securities  
Telephone: (867) 667-5225

**Self-regulatory organization**

Investment Industry Regulatory Organization of  
Canada  
121 King Street West, Suite 1600  
Toronto, Ontario M5H 3T9  
Attention: Privacy Officer  
Telephone: (416) 364-6133  
E-mail: PrivacyOfficer@iiroc.ca

**FORM 33-109F4**  
**REGISTRATION OF INDIVIDUALS AND REVIEW OF PERMITTED**  
**INDIVIDUALS**  
**(section 2.2)**

**GENERAL INSTRUCTIONS**

Complete and submit this form to the relevant regulator(s) or in Québec, the securities regulatory authority, or self-regulatory organization (SRO) if an individual is seeking registration in individual categories or is seeking to be reviewed as a permitted individual. You only need to complete and submit one of this form regardless of the number of categories you are seeking to be registered in.

**Terms**

In this form, “you”, “your” and “individual” mean the individual who is seeking registration or the individual who is filing this form as a permitted individual under securities legislation or derivatives legislation or both.

“Sponsoring firm” means the registered firm where you will carry out your duties as a registered or permitted individual.

Except in Québec, “derivatives” means financial instruments, such as futures contracts (including exchange traded contracts), futures options and swaps whose market price, value or payment obligations are derived from, or based on, one or more underlying interests. Derivatives can be in the form of instruments, agreements or securities. In Québec, the term has the same meaning as in the Derivatives Act (S.Q., 2008, c. 24).

“Major shareholder” and “shareholder” mean a shareholder who, in total, directly or indirectly owns voting securities carrying 10 per cent or more of the votes carried by all outstanding voting securities.

“Approved person” means, in respect of a member of the IIROC (Member), an individual who is a partner, director, officer, employee or agent of a Member who is approved by the IIROC or another Canadian SRO to perform any function required under any IIROC or another Canadian SRO By-law, Regulation, or Policy.

Several terms used in this form are defined in the securities legislation of your province or territory. Please refer to those definitions.



**How to submit this form*****NRD format***

Submit this form at the National Registration Database (NRD) website in NRD format at [www.nrd.ca](http://www.nrd.ca). You are only required to submit one form regardless of the number of registration categories you are seeking. If you have any questions, contact the compliance, registration or legal department of the sponsoring firm or a legal adviser, or visit the NRD information website at [www.nrd-info.ca](http://www.nrd-info.ca).

***Format, other than NRD format***

If you are relying on the temporary hardship exemption in section 5.1 of National Instrument 31-102 *National Registration Database*, you may submit this form in a format other than NRD format.

If you need more space, use a separate sheet of paper. Clearly identify the Item and question number. Complete and sign the form, and send it to the relevant regulator(s) or, in Québec, the securities regulatory authority, SRO (s) or similar authority. The number of originally signed copies of the form you are required to submit depends on the province or territory, and on the regulator, the securities regulatory authority or SRO.

To avoid delays in processing this form, be sure to answer all of the questions that apply to you. If you have questions, contact the compliance, registration or legal department of the sponsoring firm or a legal adviser, or visit the National Registration Database information website at [www.nrd-info.ca](http://www.nrd-info.ca).

**Item 1          Name****1.          Legal name**

\_\_\_\_\_  
Last name                  First name                  Second name (N/A )                  Third name (N/A )

NRD number (if applicable) \_\_\_\_\_

**2.          Other personal names**

Are you currently, or have you ever been, known by any names other than your full legal name above, for example, nicknames or names due to marriage?

Yes           No

If “yes”, complete Schedule A.

**3. Use of other names**

Are you currently, or have you ever used, operated under, or carried on business under any name other than the name(s) mentioned above, for example, trade names for sole proprietorships or team names?

Yes  No

If “yes”, complete Schedule A.

**Item 2 Residential address**

Provide all of your residential addresses, including any foreign residential addresses, for the past 10 years.

**1. Current and previous residential addresses**

\_\_\_\_\_  
(number, street, city, province, territory or state, country, postal code)

\_\_\_\_\_  
Telephone number \_\_\_\_\_

Lived at this address since (YYYY/MM) \_\_\_\_\_

If you have lived at this address for less than 10 years, complete Schedule B.

**2. Mailing address**

Check here if your mailing address is the same as your current residential address provided above. Otherwise, complete the following:

\_\_\_\_\_  
(number, street, city, province, territory or state, country, postal code)

**Item 3 Personal information**

1. Date of birth \_\_\_\_\_  
(YYYY/MM/DD)

2. Place of birth \_\_\_\_\_  
(city, province, territory or state, country)

3. Gender Female  Male
4. Eye colour \_\_\_\_\_
5. Hair colour \_\_\_\_\_
6. Height \_\_\_\_\_  in. or \_\_\_\_\_  cm
7. Weight \_\_\_\_\_  lbs. or \_\_\_\_\_  kg

**Item 4 Citizenship****1. Citizenship information**

What is your country of citizenship?

- Canada
- Other, specify: \_\_\_\_\_

**2. If you are a citizen of a country other than Canada, complete the following for that citizenship.**

- Check here if you do not have a valid passport. Otherwise, provide:

Passport number: \_\_\_\_\_

Date of issue: \_\_\_\_\_  
(YYYY/MM/DD)

Place of issue: \_\_\_\_\_  
(city, province, territory or state, country)

**Item 5 Registration jurisdictions****1. Are you filing this form under the passport system / interface for registration?**

Only choose “no” if:

- (a) you are seeking registration only in your principal jurisdiction,
- (b) you are seeking review as a permitted individual only in your principal jurisdiction

and you are not currently registered under securities legislation in any jurisdiction of Canada,

Yes  No

**2.** Check each jurisdiction where you are seeking registration or review as a permitted individual:

- All jurisdictions
- Alberta
- British Columbia
- Manitoba
- New Brunswick
- Newfoundland and Labrador
- Northwest Territories
- Nova Scotia
- Nunavut
- Ontario
- Prince Edward Island
- Québec
- Saskatchewan
- Yukon

**Item 6 Individual categories**

**1.** On Schedule C, check each category for which you are seeking registration as an individual or review as a permitted individual. If you are seeking review as a permitted individual, check each category that describes your position with your sponsoring firm.

2. If you are seeking registration as a representative of a mutual fund dealer or of a scholarship plan dealer in Québec, are you covered by your sponsoring firm's professional liability insurance?

Yes  No

If "No", state:

The name of your insurer \_\_\_\_\_

Your policy number \_\_\_\_\_

### Item 7 Address and agent for service

#### 1. Address for service

You must have one address for service in each province or territory where you are submitting this form. A residential address or a business address is acceptable. A post office box is not acceptable. Complete Schedule D for each additional address for service you are providing.

Address for service: \_\_\_\_\_  
(number, street, city, province or territory, postal code)

Telephone number \_\_\_\_\_

Fax number, if applicable \_\_\_\_\_

E-mail address, if available \_\_\_\_\_

#### 2. Agent for service

If you have appointed an agent for service, provide the following information for the agent in each province or territory where you have an agent for service. The address of your agent for service must be the same as the address for service above. If your agent for service is not an individual, provide the name of your contact person.

Name of agent for service: \_\_\_\_\_

Contact person: \_\_\_\_\_  
Last name, First name

**Item 8 Proficiency****1. Course or examination information and other education**

Complete Schedule E to indicate each course and examination that is required for registration or approval and that you have successfully completed or have been exempted from.

Check here if you are not required under securities legislation or derivatives legislation or both, or the rules of an SRO to satisfy any course or examination requirements.

**2. Student numbers**

If you have a student number for a course that you successfully completed with one of the following organizations, provide it below:

CSI Global Education (formerly Canadian Securities Institute): \_\_\_\_\_

IFSE Institute (formerly IFIC): \_\_\_\_\_

Institute of Canadian Bankers (ICB): \_\_\_\_\_

CFA Institute (formerly AIMR): \_\_\_\_\_

Advocis (formerly CAIFA): \_\_\_\_\_

**3. Exemption refusal**

Has any securities regulator, derivatives regulator or SRO refused to grant you an exemption from a course, examination or experience requirement?

Yes  No

If “Yes”, complete Schedule F.

**Item 9 Location of employment**

**1.** Provide the following information for your new sponsoring firm. If you will be working out of more than one location, provide the following information for the location out of which you will be doing most of your business.

NRD location number: \_\_\_\_\_

Unique Identification Number (optional) : \_\_\_\_\_

Business address: \_\_\_\_\_  
(number, street, city, province, territory or state, country, postal code)

Telephone number: (\_\_\_\_) \_\_\_\_\_ Fax number: (\_\_\_\_) \_\_\_\_\_

2. If the firm has a foreign head office, and/or you are not a resident of Canada, provide the address for the location in which you will be conducting business.

Business address: \_\_\_\_\_  
(number, street, city, province, territory or state, country, postal code)

Telephone number: (\_\_\_\_) \_\_\_\_\_ Fax number: (\_\_\_\_) \_\_\_\_\_

[The following under #3 “Type of location”, #4 and #5 is for a Format other than NRD format only]

3. Type of location - for Format other than NRD format only:

Head office       Branch or Business Location       Sub-branch

4. Name of branch manager: \_\_\_\_\_

5.  Check here if the mailing address of the location is the same as the business address provided above. Otherwise, complete the following:

Mailing address: \_\_\_\_\_  
(number, street, city, province, territory or state, country, postal code)

### **Item 10 Current employment, other business activities, officer positions held and directorships**

Complete a separate Schedule G for each of your current business and employment activities, including employment and business activities with your sponsoring firm and any employment and business activities outside your sponsoring firm. Also include all business related officer or director positions and any other equivalent positions held, whether you receive compensation or not.

### **Item 11 Previous employment and other activities**

On Schedule H, complete your employment and other activities history for the past 10-years.

**Item 12 Resignations and terminations**

Have you ever resigned, been terminated or been dismissed for cause by an employer from a position following allegations that you:

1. Violated any statutes, regulations, rules or standards of conduct?

Yes  No

If “Yes”, complete Schedule I Item 12.1.

2. Failed to appropriately supervise compliance with any statutes, regulations, rules or standards of conduct?

Yes  No

If “Yes”, complete Schedule I Item 12.2.

3. Committed fraud or the wrongful taking of property, including theft?

Yes  No

If “Yes”, complete Schedule I Item 12.3.

**Item 13 Regulatory disclosure****1. Securities and derivatives regulation**

a) Other than a registration or permitted individual status that has been recorded under this NRD number, are you now, or have you ever been, registered or licensed with any securities regulator or derivatives regulator or both in any province, territory, state or country to trade in or advise on securities or derivatives or both?

Yes  No

If “Yes”, complete Schedule J, Item 13.1(a).

b) Have you ever been refused registration or a licence to trade in or advise on securities or derivatives or both in any province, territory state or country?

Yes  No

If “Yes”, complete Schedule J, Item 13.1(b).



c) Have you ever been denied the benefit of any exemption from registration provided in any securities or derivatives or both legislation or rules in any province, territory, state or country, other than what was disclosed in Item 8(3) of this form?

Yes  No

If “Yes”, complete Schedule J, Item 13.1(c).

d) Are you now, or have you ever been subject to any disciplinary proceedings or any order resulting from disciplinary proceedings under any securities legislation or derivatives legislation or both in any province, territory, state or country?

Yes  No

If “Yes”, complete Schedule J, Item 13.1(d).

## 2. SRO regulation

a) Other than an approval that has been recorded under this NRD number, are you now, or have you ever been, an approved person of an SRO or similar organization in any province, territory, state or country?

Yes  No

If “Yes”, complete Schedule J, Item 13.2(a).

b) Have you ever been refused approved person status by an SRO or similar organization in any province, territory, state or country?

Yes  No

If “Yes”, complete Schedule J, Item 13.2(b).

c) Are you now, or have you ever been, subject to any disciplinary proceedings conducted by any SRO or similar organization in any province, territory, state or country?

Yes  No

If “Yes”, complete Schedule J, Item 13.2(c).

## 3. Non-securities regulation

a) Are you now, or have you ever been, registered or licensed under any legislation which requires registration or licensing to deal with the public in any capacity

other than to trade in or advise on securities or derivatives or both in any province, territory, state or country (e.g. insurance, real estate, accountant, lawyer, teacher)?

Yes  No

If “Yes”, complete Schedule J, Item 13.3(a)

b) Have you ever been refused registration or a licence under any legislation relating to your professional activities unrelated to securities or derivatives in any province, territory, state or country?

Yes  No

If “Yes”, complete Schedule J, Item 13.3(b).

c) Are you now, or have you ever been, a subject of any disciplinary actions conducted under any legislation relating to your professional activities unrelated to securities or derivatives in any province, territory, state or country?

Yes  No

If “Yes”, complete Schedule J, Item 13.3(c).

## **Item 14 Criminal disclosure**

### **Offences you must disclose**

You must disclose all criminal offences committed in any province, territory, state or country. This includes, but is not limited to, criminal offences under federal statutes such as the *Criminal Code* (Canada), *Income Tax Act* (Canada), *the Competition Act* (Canada), *Immigration and Refugee Protection Act* (Canada) and the *Controlled Drugs and Substances Act* (Canada) (or its predecessor, the *Narcotic Control Act* (Canada)). This includes pleas or findings of guilt for impaired driving, which are *Criminal Code* (Canada) matters. If you have been found guilty of a criminal offence, you must disclose the offence even if you have been granted an absolute or conditional discharge.

With respect to questions 14.2 and 14.4, if you or your firm has been found guilty of a criminal offence, or participated in the Alternative Measures Program within the past three years, you must disclose that offence even if an absolute or conditional discharge has been granted, or the charge has been dismissed, withdrawn or stayed. Some exceptions apply to stayed charges, and the Alternative Measures Program which are outlined below.

If you do not disclose a criminal offence under any statute other than the former *Young Offenders Act* (Canada) or the *Youth Criminal Justice Act* (Canada), regulators or, in

Québec, the securities regulatory authority or self regulatory organization may treat it as a non-disclosure of material information.

### Offences you do not have to disclose

The appropriate response is “No” if any of the following circumstances apply.

You are not required to disclose:

- crimes for which you received an absolute or conditional discharge if the crime has been purged from the criminal records in accordance with the *Criminal Records Act* (Canada)
- speeding, parking violations or any offence for which a pardon has been granted under the *Criminal Records Act* (Canada) and the pardon has not been revoked
- stayed charges for summary conviction offences that have been stayed for six months or more
- stayed charges for indictable offences that have been stayed for a year or more, and
- offences under the former *Young Offenders Act* (Canada) or the *Youth Criminal Justice Act* (Canada)

With respect to questions 14.2 and 14.4, you are not required to disclose an offence for which you or your firm was found guilty if you or the firm participated in the Alternative Measures Program more than three years ago for that offence.

1. Are there any outstanding or stayed charges against you alleging a criminal offence that was committed in any province, territory, state or country?

Yes  No

If “Yes”, complete Schedule K, Item 14.1.

2. Have you ever been found guilty, pleaded no contest to, or granted an absolute or conditional discharge from any criminal offence that was committed in any province, territory, state or country?

Yes  No

If “Yes”, complete Schedule K, Item 14.2.

3. To the best of your knowledge, are there any outstanding charges against any firm of which you were, at the time the criminal offence was alleged to have taken place in any province, territory, state or country, a partner, director, officer or major shareholder?

Yes  No

If “Yes”, complete Schedule K, Item 14.3.

4. To the best of your knowledge, has any firm, when you were a partner, officer, director or major shareholder, ever been found guilty, pleaded no contest to or granted an absolute or conditional discharge from a criminal offence that was committed in any province, territory, state or country?

Yes  No

If “Yes”, complete Schedule K, Item 14.4 .

#### Item 15 Civil disclosure

1. Are there currently any outstanding civil actions alleging fraud, theft, deceit, misrepresentation or similar misconduct against you or a firm where you are or were a partner, director, officer or major shareholder in any province, territory, state or country?

Yes  No

If “Yes”, complete Schedule L, Item 15.1.

2. Have you or a firm where you are or were a partner, director, officer or major shareholder ever been a defendant or respondent in any civil proceeding in which fraud, theft, deceit, misrepresentation or similar misconduct is, or was, successfully established in a judgment in any province, territory, state or country?

Yes  No

If “Yes”, complete Schedule L, Item 15.2.

#### Item 16 Financial disclosure

##### 1. Bankruptcy

Under the laws of any applicable jurisdiction, have you or has any firm when you were a partner, director, officer or major shareholder of that firm:

a) Had a petition in bankruptcy issued or made a voluntary assignment in bankruptcy or any similar proceeding?

Yes  No

If “Yes”, complete Schedule M, Item 16.1(a).

b) Made a proposal under any legislation relating to bankruptcy or insolvency or any similar proceeding?

Yes  No

If “Yes”, complete Schedule M, Item 16.1(b).

c) Been subject to proceedings under any legislation relating to the winding up or dissolution of the firm, or under the *Companies’ Creditors Arrangement Act* (Canada)?

Yes  No

If “Yes”, complete Schedule M, Item 16.1(c).

d) Been subject to or initiated any proceedings, arrangement or compromise with creditors? This includes having a receiver, receiver-manager, administrator or trustee appointed by or at the request of creditors, privately, through court process or by order of a regulatory authority, to hold your assets.

Yes  No

If “Yes”, complete Schedule M, Item 16.1(d).

## 2. Debt obligations

Over the past 10 years, have you failed to meet a financial obligation of \$5,000 or more as it came due or, to the best of your knowledge, has any firm, while you were a partner, director, officer or major shareholder of that firm, failed to meet any financial obligation of \$5,000 or more as it came due?

Yes  No

If “Yes”, complete Schedule M, Item 16.2.

## 3. Surety bond or fidelity bond

Have you ever been refused for a surety or fidelity bond?

Yes  No

If “Yes”, complete Schedule M, Item 16.3.

#### 4. Garnishments, unsatisfied judgments or directions to pay

Has any federal, provincial, territorial, state authority or court ever issued any of the following against you regarding your indebtedness or, to the best of your knowledge, the indebtedness of a firm where you are or were a partner, director, officer or major shareholder:

- |    |                      | Yes                      | No                       |
|----|----------------------|--------------------------|--------------------------|
| a) | Garnishment          | <input type="checkbox"/> | <input type="checkbox"/> |
| b) | Unsatisfied judgment | <input type="checkbox"/> | <input type="checkbox"/> |
| c) | Direction to pay     | <input type="checkbox"/> | <input type="checkbox"/> |

If “Yes”, complete Schedule M, Item 16.4.

#### Item 17 Ownership of securities and derivatives firms

Are you now, or have you ever been, a partner or major shareholder of any firm (including your sponsoring firm) whose business is trading in or advising on securities or derivatives or both?

Yes  No

If “Yes”, complete Schedule N.

#### Item 18 Agent for service

By submitting this form, you certify that in each jurisdiction of Canada where you have appointed an agent for service, you have completed the appointment of agent for service required in that jurisdiction.

#### Item 19 Submission to jurisdiction

By submitting this form, you agree to be subject to the securities legislation or derivatives legislation or both of each jurisdiction of Canada, and to the by-laws, regulations, rules, rulings and policies (collectively referred to as “rules” in this form) of the SROs to which you have submitted this form. This includes the jurisdiction of any tribunals or any proceedings that relate to your activities as a registrant or a partner, director or officer of a registrant under that securities legislation or derivatives legislation or both or as an Approved Person under SRO rules.

**Item 20 Notice of collection and use of personal information**

The personal information required under this form is collected on behalf of, and used by, the securities regulatory authorities in the jurisdictions set out in Schedule O to administer and enforce certain provisions of their securities legislation or derivatives legislation or both.

By submitting this form, the individual consents to the collection by the securities regulatory authorities of this personal information, and any police records, records from other government or non-governmental regulators or SROs, credit records and employment records about the individual that the securities regulatory authorities may need to complete their review of the information submitted in this form relating to the individual's continued fitness for registration or approval, if applicable, in accordance with the legal authority of the securities regulatory authorities while the individual is registered with or approved by it. Securities regulatory authorities may contact government and private bodies or agencies, individuals, corporations and other organizations for information about the individual.

If you have any questions about the collection and use of this information, contact the securities regulatory authority in any jurisdiction in which the required information is submitted. See Schedule O for details. In Québec, you can also contact the Commission d'accès à l'information at 1-888-528-7741 or visit its website at [www.cai.gouv.qc.ca](http://www.cai.gouv.qc.ca).

**SROs**

The principal purpose for the collection of personal information is to assess your suitability for registration or approval and to assess your continued fitness for registration or approval in accordance with the applicable securities legislation and the rules of the SROs.

By submitting this form, you authorize the SROs to which this form is submitted to collect any information from any source whatsoever. This includes, but is not limited to, personal confidential information about you that is otherwise protected by law such as, police, credit, employment, education and proficiency course completion records, and records from other government or non-governmental regulatory authorities, securities commissions, stock exchanges, or other SROs, private bodies, agencies, individuals or corporations, as may be necessary for the SROs to complete their review of your form or continued fitness for registration or approval in accordance with their rules for the duration of the period you remain so registered or approved. You further consent to and authorize the transfer of confidential information between SROs, securities commissions or stock exchanges from whom you now, or may in the future, seek registration or approval, or with which you are currently registered or approved for the purpose of determining fitness or continued fitness for registration or approval or in connection with the performance of an investigation or other exercise of regulatory authority, whether or not you are registered with or approved by them.

By submitting this form, you certify that you understand the rules of the applicable SROs of which you are seeking registration or approval or of which your sponsoring firm is a member or participating organization. You also undertake to become conversant with the rules of any SROs of which you or your sponsoring firm becomes a member or participating organization. You agree to be bound by, observe and comply with these rules as they are from time to time amended or supplemented, and you agree to keep yourself fully informed about them as they are amended and supplemented. You submit to the jurisdiction of the SROs from whom you are seeking registration or approval, or of which your sponsoring firm is now or in the future becomes a member or participating organization and, wherever applicable, their Governors, Directors and Committees. You agree that any registration or approval granted pursuant to this form may be revoked, terminated or suspended at any time in accordance with the then applicable rules of the respective SROs. In the event of any such revocation or termination, you must terminate all activities which require registration or approval and, thereafter, not perform services that require registration or approval for any member of the SROs or any approved affiliated company or other affiliate of such member without obtaining the approval of or registration with the SROs, in accordance with their rules.

By submitting this form, you undertake to notify the SROs from whom you are seeking registration or approval or with which you are currently or may in the future be registered or approved of any material change to the information herein provided in accordance with their respective rules. You agree to the transfer of this form, without amendment, to other SROs in the event that at some time in the future you seek registration or approval from such other SROs.

You certify that you have discussed the questions in this form, together with this Agreement, with an Officer or Branch Manager of your sponsoring member firm and, to your knowledge and belief, the authorized Officer or Branch Manager was satisfied that you fully understood the questions and the terms of this Agreement. You further certify that your business activities that are subject to securities rules and derivatives rules or both will be limited strictly to those permitted by the category of your registration or approval.

**Item 21      Warning**

**It is an offence under securities legislation and/or derivatives legislation, including commodity futures legislation to give false or misleading information on this form.**



**Item 22 Certification****1. Certification - NRD format**

I confirm I have discussed the questions in this form with an officer, branch manager or supervisor of my sponsoring firm. To the best of my knowledge, the officer, branch manager or supervisor was satisfied that I fully understood the questions. I will limit my activities to those permitted by my category of registration.

I am making this submission as agent for the individual identified in this form. By checking this box, I certify that the individual provided me with all of the information on this form.

**2. Certification - Format other than NRD format****Individual**

By signing below, I certify to the regulator, or in Québec the securities regulatory authority, in each jurisdiction where I am filing or submitting this form, either directly or through the principal regulator, that:

- I have read this form and understand the questions, and
- all of the information provided on this form is true, and complete.

Signature of individual \_\_\_\_\_ Date \_\_\_\_\_

**Authorized partner or officer of the firm**

By signing below, I certify to the regulator, or in Québec the securities regulatory authority, in each jurisdiction where I am submitting this form, either directly or through the principal regulator, for the individual that:

- the individual identified in this form will be engaged by the sponsoring firm as a registered individual or a permitted individual, and

• I have, or a branch manager, or supervisor, or another officer or partner has, discussed the questions set out in this form with the individual and, to the best of my knowledge, the individual fully understands the questions.

\_\_\_\_\_  
Name of firm

\_\_\_\_\_  
Name of authorized signing officer or partner

\_\_\_\_\_  
Title of authorized signing officer or partner

\_\_\_\_\_  
Signature of authorized signing officer or partner

\_\_\_\_\_  
Date signed (YYYY/MM/DD)

**SCHEDULE A****Names (Item 1)****Item 1.2 Other personal names****Name 1:**

Last name	First name	Second name (N/A <input type="checkbox"/> )	Third name (N/A <input type="checkbox"/> )
-----------	------------	---	--

Provide the reasons for the use of this name (for example, marriage, divorce, court order, commonly used name or nickname)? \_\_\_\_\_

When did you use this name?	From:	To:
	_____	_____
	(YYYY/MM)	(YYYY/MM)

**Name 2:**

Last name	First name	Second name (N/A <input type="checkbox"/> )	Third name (N/A <input type="checkbox"/> )
-----------	------------	---	--

Provide the reasons for the use of this name (for example, marriage, divorce, court order, commonly used name or nickname)? \_\_\_\_\_

When did you use this name?	From:	To:
	_____	_____
	(YYYY/MM)	(YYYY/MM)

**Name 3:**

Last name	First name	Second name (N/A <input type="checkbox"/> )	Third name (N/A <input type="checkbox"/> )
-----------	------------	---	--

Provide the reasons for the use of this name (for example, marriage, divorce, court order, commonly used name or nickname)? \_\_\_\_\_

When did you use this name?	From:	To:
	_____	_____
	(YYYY/MM)	(YYYY/MM)

**Item 1.3 Use of other names****Name 1:**

---

Name

Provide the reasons for the use of this other name (for example, trade name or team name)?: \_\_\_\_\_

If this other name is or was used in connection with any sponsoring firm, did the sponsoring firm approve the use of the name?

Yes  No

When did you use this name?

From:

To:

\_\_\_\_\_  
(YYYY/MM)

\_\_\_\_\_  
(YYYY/MM)

**Name 2:**

---

Name

Provide the reasons for the use of this other name (for example, trade name or team name): \_\_\_\_\_

If this other name is or was used in connection with any sponsoring firm, did the sponsoring firm approve the use of the name?

Yes  No

When did you use this name?

From:

To:

\_\_\_\_\_  
(YYYY/MM)

\_\_\_\_\_  
(YYYY/MM)

**Name 3:**

---

Name

Provide the reasons for the use of this other name (for example, trade name or team name): \_\_\_\_\_

If this other name is or was used in connection with any sponsoring firm, did the sponsoring firm approve the use of the name?

Yes  No

When did you use this name?

From:

To:

\_\_\_\_\_  
(YYYY/MM)

\_\_\_\_\_  
(YYYY/MM)

**SCHEDULE B****Residential address (Item 2)****Item 2.1 Current and previous residential addresses**

If you have lived at your current address for less than 10 years, list all previous addresses for the past 10 years.

You do not have to include a postal code or ZIP code, or a telephone number for any previous address.

**Address 1:**

Residential address: \_\_\_\_\_  
(number, street, city, province, territory or state, country)

When did you live at this address? From: \_\_\_\_\_ To: \_\_\_\_\_  
(YYYY/MM) (YYYY/MM)

**Address 2:**

Residential address: \_\_\_\_\_  
(number, street, city, province, territory or state, country)

When did you live at this address? From: \_\_\_\_\_ To: \_\_\_\_\_  
(YYYY/MM) (YYYY/MM)

**Address 3:**

Residential address: \_\_\_\_\_  
(number, street, city, province, territory or state, country)

When did you live at this address? From: \_\_\_\_\_ To: \_\_\_\_\_  
(YYYY/MM) (YYYY/MM)

**SCHEDULE C****Individual Categories (Item 6)**

Check each category for which you are seeking registration, approval or review as a permitted individual.

**Categories common to all jurisdictions under securities legislation*****Firm categories [Format other than NRD format only]***

- Investment Dealer
- Mutual Fund Dealer
- Scholarship Plan Dealer
- Exempt Market Dealer
- Restricted Dealer
- Portfolio Manager
- Restricted Portfolio Manager
- Investment Fund Manager

***Individual categories and permitted activities***

- Dealing Representative
- Advising Representative
- Associate Advising Representative
- Ultimate Designated Person
- Chief Compliance Officer
- Officer – Specify title:
- Director
- Partner
- Shareholder
- Branch Manager (MFDA members only)
- IIROC approval only

**Investment Industry Regulatory Organization of Canada*****Approval categories***

- Executive
- Director (Industry)
- Director (Non-Industry)
- Supervisor
- Investor
- Registered Representative
- Investment Representative
- Trader

***Additional approval categories***

- Chief Compliance Officer
- Chief Financial Officer
- Ultimate Designated Person

***Products***

- Non-Trading
- Securities
- Options
- Futures Contracts and Futures Contract Options
- Mutual Funds only

***Customer type***

- Retail
- Institutional
- Not Applicable

***Portfolio management***

- Portfolio Management

**Categories under local commodity futures and derivatives legislation****Ontario*****Firm categories***

- Commodity Trading Adviser
- Commodity Trading Counsel
- Commodity Trading Manager
- Futures Commission Merchant

***Individual categories and permitted activities***

- Advising Representative
- Salesperson
- Branch Manager
- Officer – Specify title:
- Director
- Partner
- Shareholder
- IIROC approval only

**Manitoba*****Firm categories***

- Dealer (Merchant)
- Dealer (Futures Commission Merchant)



- Dealer (Floor Broker)
- Adviser
- Local

***Individual categories and permitted activities***

- Floor Trader
- Salesperson
- Branch Manager
- Adviser
- Officer – Specify title:
- Director
- Partner
- Futures Contracts Portfolio Manager
- Associate Futures Contracts Portfolio Manager
- IIROC approval only
- Local

**Québec - activities relating to derivatives**

***For information purposes, indicate whether you will carry on activities as a representative of:***

- An Investment Dealer Acting as a Derivatives Dealer
- A Portfolio Manager Acting as a Derivatives Portfolio Manager

**SCHEDULE D****Address and agent for service (Item 7)****Item 7.1 Address for service**

You must have one address for service in each province or territory in which you are now, or are seeking to become, a registered individual or permitted individual. A post office box is not an acceptable address for service.

Address for service: \_\_\_\_\_  
(number, street, city, province or territory, postal code)

Telephone number: ( ) \_\_\_\_\_ Fax number: ( ) \_\_\_\_\_

E-mail address: \_\_\_\_\_

**Item 7.2 Agent for service**

If you have appointed an agent for service, provide the following information about the agent. The address for service provided above must be the address of the agent named below.

Name of agent for service: \_\_\_\_\_

*(if applicable)*

Contact person: \_\_\_\_\_  
Last name, First name

**SCHEDULE E****Proficiency (Item 8)****Item 8.1 Course or examination information and other education**

<b>Course or examination or other education</b>	<b>Date completed (YYYY/MM/DD)</b>	<b>Date exempted (YYYY/MM/DD)</b>	<b>Regulator securities regulatory authority granting the exemption</b> /

**SCHEDULE F**  
**Proficiency (Item 8.3)**

**Item 8.3 Exemption refusal**

Complete the following for each exemption that was refused.

1. Which securities regulator, derivatives regulator or SRO refused to grant the exemption?

---

State the name of the course, examination or experience requirement:

---

State the reason given for not being granted the exemption:

---

Date exemption refused: \_\_\_\_\_  
(YYYY/MM/DD)

2. Which securities regulator, derivatives regulator or SRO refused to grant the exemption?

---

State the name of the course, examination or experience requirement:

---

State the reason given for not being granted the exemption:

---

Date exemption refused: \_\_\_\_\_  
(YYYY/MM/DD)

3. Which securities regulator, derivatives regulator or SRO refused to grant the exemption?
-

State the name of the course, examination or experience requirement:

---

State the reason given for not being granted the exemption:

---

Date exemption refused: \_\_\_\_\_  
(YYYY/MM/DD)

### **SCHEDULE G**

#### **Current employment, other business activities, officer positions held and directorships (Item 10)**

Complete a separate Schedule G for each of your current business and employment activities with your sponsoring firm and with all other organizations. This includes any business related officer or director positions held, or any other equivalent positions held, whether you receive compensation or not.

1. **Start date** \_\_\_\_\_  
(YYYY/MM/DD)

2. **Firm information**

Check here if this activity is employment with your sponsoring firm.

If the activity is with your sponsoring firm, you are not required to indicate the firm name and address information below:

Name of business or employer: \_\_\_\_\_

Address of business or employer: \_\_\_\_\_  
(number, street, city, province, territory or state, country)

Name and title of your immediate supervisor: \_\_\_\_\_

---

**3. Description of duties**

Describe all employment and business activities related to this employer. Include the nature of the business and your duties, title or relationship with the business. If you are seeking registration that requires specific experience, include details with this firm such as level of responsibility, value of accounts under direct supervision, number of years of experience, and percentage of time spent on each activity.

---

**4. Number of work hours per week**

How many hours per week do you devote to this business or employment?

---

If this activity is employment with your sponsoring firm and you work less than 30 hours per week, explain why.

---

**5. Conflicts of interest**

If you have more than one employer or are engaged in business related activities, disclose any potential for confusion by clients and any potential for conflicts of interest arising from your multiple employment or business related activities or proposed business related activities. Include whether or not any of your employers or organizations where you engage in business related activities are listed on an exchange. Confirm whether the firm has procedures for minimizing potential conflicts of interest and if so, confirm that you are aware of these procedures.

If you do not perceive any conflicts of interest arising from this employment, explain why.

---

**SCHEDULE H****Previous employment and other activities (Item 11)**

Provide the following information for each of your employment and other activities in the past 10-years. Account for all of your time, including full-time and part-time employment, self-employment or military service. Include your status for each, such as unemployed, full-time student, or other similar statuses. Do not include short-term employment of four months or less while a student, unless it was in the securities, derivatives or financial industry.

In addition to the information required in the paragraph above, if you were employed or had business activities in the securities or derivatives industry or both during and before the 10-year period, disclose all your securities and derivatives or both employment or business activities (both before and during the 10-year period).

Unemployed

Full-time student

Employed or self-employed

From: \_\_\_\_\_  
(YYYY/MM)

To: \_\_\_\_\_  
(YYYY/MM)

Complete the following only if you are, or were, employed or self-employed during this period.

Name of business or employer:

\_\_\_\_\_

Address of business or employer:

\_\_\_\_\_  
(number, street, city, province, territory or state, country)

Name and title of immediate supervisor, if applicable:

---

Describe the firm's business, your position, duties and your relationship to the firm. If you are seeking registration in a category of registration that requires specific experience, include details of that experience. Examples include level of responsibility, value of accounts under direct supervision, number of years of that experience and research experience, and percentage of time spent on each activity.

Reason why you left the firm:

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**SCHEDULE I****Resignations and terminations (Item 12)****Item 12.1**

For each allegation of violation of any statutes, regulations, rules or internal/external standards of conduct, state below (1) the name of the firm from which you resigned, were terminated or dismissed for cause, (2) whether you resigned, were terminated or dismissed for cause, (3) the date you resigned, were terminated or dismissed for cause, and (4) the circumstances relating to your resignation, termination or dismissal for cause.

---

**Item 12.2**

For each allegation of failure to supervise compliance with any statutes, regulations, rules or standards of conduct, state below, (1) the name of the firm from which you resigned, were terminated or dismissed for cause, (2) whether you resigned, were terminated or dismissed for cause, (3) the date you resigned, were terminated or dismissed for cause, and (4) the circumstances relating to your resignation, termination or dismissal for cause.

---

**Item 12.3**

For each allegation of fraud or the wrongful taking of property, including theft, state below (1) the name of the firm from which you resigned, were terminated or dismissed for cause, (2) whether you resigned, were terminated or dismissed for cause, (3) the date you resigned, were terminated or dismissed for cause, and (4) the circumstances relating to your resignation, termination or dismissal for cause.

---

**SCHEDULE J****Regulatory disclosure (Item 13)****Item 13.1 Securities and derivatives regulation**

a) For each registration or licence, state below (1) the name of the firm, (2) the securities or derivatives regulator with which you are, or were, registered or licensed, (3) the type or category of registration or licence, and (4) the period that you held the registration or licence.

---

b) For each registration or licence refused, state below (1) the name of the firm, (2) the securities or derivatives regulator that refused the registration or licence, (3) the type or category of registration or licence refused, (4) the date of the refusal, and (5) the reasons for the refusal.

---

c) For each exemption from registration denied or licence refused, *other than what was disclosed in Item 8(3) of this form*, state below (1) the party that was refused the exemption from registration or licence, (2) the securities or derivatives regulator that refused the exemption from registration or licence, (3) the type or category of registration or licence refused, (4) the date of the refusal, and (5) the reasons for the refusal.

---

d) For each order or disciplinary proceeding, state below (1) the name of the firm, (2) the securities or derivatives regulator that issued the order or is conducting or conducted the proceeding, (3) the date any notice of proceeding was issued, (4) the date any order or settlement was made, (5) a summary of any notice, order or settlement (including any sanctions imposed), (6) whether you are or were a partner, director, officer or major shareholder of the firm and named individually in the order or disciplinary proceeding, and (7) any other relevant details.

---

**Item 13.2 SRO regulation**

a) For each approval, state below (1) the name of the firm, (2) the SRO with which you are or were an approved person, (3) the categories of approval, and (4) the period that you held the approval.

---

b) For each approval refused, state below (1) the name of the firm, (2) the SRO that refused the approval, (3) the category of approval refused, (4) the date of the refusal, and (5) the reasons for the refusal.

---

c) For each order or disciplinary proceeding, state below (1) the name of the firm, (2) the SRO that issued the order or that is, or was, conducting the proceeding, (3) the date any notice of proceeding was issued, (4) the date any order or settlement was made, (5) a summary of any notice, order or settlement (including any sanctions imposed), (6) whether you are or were a partner, director, officer or major shareholder of the firm and named individually in the order or disciplinary proceeding, and (7) any other information that you think is relevant or that the regulator or, in Québec, the securities regulatory authority may request.

---

### **Item 13.3 Non-securities regulation**

a) For each registration or licence, state below (1) the party who is, or was, registered or licensed (if insurance licensed, also indicate the name of the insurance agency), (2) with which regulatory authority, or under what legislation, the party is, or was, registered or licensed, (3) the type or category of registration or licence, and (4) the period that the party held the registration or licence.

---

b) For each registration or licence refused, state below (1) the party that was refused registration or licensing (if insurance licensed, also indicate the name of the insurance agency), (2) with which regulatory authority, or under what legislation, the registration or licence was refused, (3) the type or category of registration or licence refused, (4) the date of the refusal, and (5) the reasons for the refusal.

---

c) For each order or disciplinary proceeding, indicate below (1) the party against whom the order was made or the proceeding taken (if insurance licensed, indicate the name of the insurance agency), (2) the regulatory authority that made the order or that is, or was, conducting the proceeding, or under what legislation the order was made or the proceeding is being, or was conducted, (3) the date any notice of proceeding was issued, (4) the date any order or settlement was made, (5) a summary of any notice, order or settlement (including any sanctions imposed), (6) whether you are or were a partner, director, officer or major shareholder of the firm and named individually in the order or disciplinary proceeding and (7) any other information that you think is relevant or that the regulatory authority may request.

---

**SCHEDULE K****Criminal disclosure (Item 14)****Item 14.1**

For each charge, state below (1) the type of charge, (2) the date of the charge, (3) any trial or appeal dates, and (4) the court location.

---

**Item 14.2**

For each finding of guilty, pleading no contest to, or granting of an absolute or conditional discharge from a criminal offence state below (1) the offence, (2) the date found guilty, and (3) the disposition (any penalty or fine and the date any fine was paid).

---

**Item 14.3**

For each charge, state below (1) the name of the firm, (2) the type of charge, (3) the date of the charge, (4) any trial or appeal dates, and (5) the court location.

---

**Item 14.4**

For each finding of guilty, pleading no contest to, or granting of an absolute or conditional discharge from a criminal offence state below (1) the name of the firm, (2) the offence, (3) the date of the conviction, and (4) the disposition (any penalty or fine and the date any fine was paid).

---

**SCHEDULE L****Civil disclosure (Item 15)****Item 15.1**

For each outstanding civil proceeding, state below (1) the dates the statement of claim and statement of defence were issued, (2) the name of the plaintiff(s) in the proceeding, (3) whether the proceeding is pending or on appeal, (4) whether the proceeding was against a firm where you are, or were, a partner, director, officer or major shareholder and whether you have been named individually in the allegations, and (5) the jurisdiction where the action is being pursued.

---

**Item 15.2**

For each civil proceeding, state below (1) the dates the statement of claim and statement of defence were issued, (2) each plaintiff in the proceeding, (3) the jurisdiction where the action was pursued, (4) whether the proceeding was about a firm where you are, or were, a partner, director, officer or major shareholder and whether you have been named individually in the allegations and (5) a summary of any disposition or any settlement over \$10,000. You must disclose any actions settled without admission of liability.

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**SCHEDULE M****Financial Disclosure (Item 16)****Item 16.1 Bankruptcy**

(a) For each event, state below (1) the date of the petition or voluntary assignment, (2) the person or firm about whom this disclosure is being made, (3) any amounts currently owing, (4) the creditors, (5) the status of the matter, (6) a summary of any disposition or settlement, (7) date of discharge or release, if applicable, and (8) any other information that you think is relevant or that the regulator or, in Québec, the securities regulatory authority may request.

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(b) For each event, state below (1) the date of the proposal, (2) the person or firm about whom this disclosure is being made, (3) any amounts currently owing, (4) the creditors, (5) the status of the matter, (6) a summary of any disposition or settlement, and (7) any other information that you think is relevant or that the regulator or, in Québec, the securities regulatory authority may request.

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(c) For each event, state below (1) the date of the proceeding, (2) the person or firm about whom this disclosure is being made, (3) any amounts currently owing, (4) the creditors, (5) the status of the matter, (6) a summary of any disposition or settlement, and (7) any other information that you think is relevant or that the regulator or, in Québec, the securities regulatory authority may request.

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(d) For each proceeding, arrangement or compromise with creditors, state below (1) the date of proceeding, (2) the person or firm about whom this disclosure is being made, (3) any amounts currently owing, (4) the creditors, (5) the status of the matter, (6) a summary of any disposition or settlement, and (7) any other information that you think is relevant or that the regulator or, in Québec, the securities regulatory authority may request.

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**Item 16.2 Debt obligation**

For each event, state below (1) the person or firm that failed to meet its financial obligation, (2) the amount that was owing at the time the person or firm failed to meet its financial obligation, (3) the person or firm to whom the amount is, or was, owing, (4) any

relevant dates (for example, when payments are due or when final payment was made), (5) any amounts currently owing, and (6) any other information that you think is relevant or that the regulator or, in Québec, the securities regulatory authority may request, including why obligation has not been met/satisfied.

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### **Item 16.3 Surety bond or fidelity bond**

For each bond refused, state below (1) the name of the bonding company, (2) the address of the bonding company, (3) the date of the refusal, and (4) the reasons for the refusal.

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### **Item 16.4 Garnishments, unsatisfied judgments or directions to pay**

For each garnishment, unsatisfied judgment or direction to pay regarding your indebtedness, indicate below (1) the amount that was owing at the time the garnishment, judgment or direction to pay was rendered, (2) the person or firm to whom the amount is, or was, owing, (3) any relevant dates (for example, when payments are due or when final payment was made), (4) the percentage of earnings to be garnished or the amount to be paid, (5) any amounts currently owing, and (6) any other information that you think is relevant or that the regulator or, in Québec, the securities regulatory authority may request.

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**SCHEDULE N****Ownership of securities and derivatives firms (Item 17)**

Firm name:

What is your relationship to the firm? Partner  Major shareholder

What is the period of this relationship?

From:  To: *(if applicable)*  
 (YYYY/MM) (YYYY/MM)

Provide the following information:

a) State the number, value, class and percentage of securities, or the amount of partnership interest you own or propose to acquire when you are registered or approved as a result of the review of this form. If acquiring shares when you are so approved or registered, state the source (for example, treasury shares, or if upon transfer, state name of transferor).

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b) State the market value (approximate, if necessary) of any subordinated debentures or bonds of the firm to be held by you or any other subordinated loan to be made by you to the firm:

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c) If another person or firm has provided you with funds to invest in the firm, provide the name of the person or firm and state the relationship between you and that person or firm:

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d) Are the funds to be invested (or proposed to be invested) guaranteed directly or indirectly by any person or firm?

Yes  No

If "Yes", provide the name of the person or firm and state the relationship between you and that person or firm:



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e) Have you directly or indirectly given up any rights relating to these securities or this partnership interest, or do you, when you are registered or approved as a result of the review of this form, intend to give up any of these rights (including by hypothecation, pledging or depositing as collateral the securities or partnership interest with any firm or person)?

Yes  No

If “Yes”, provide the name of the person or firm, state the relationship between you and that person or firm and describe the rights that have been or will be given up:

---

f) Is a person other than you the beneficial owner of the shares, bonds, debentures, partnership units or notes held by you?

Yes  No

If “Yes”, complete (g), (h) and (i).

g) Name of beneficial owner:

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Last name	First name	Second name (if applicable)	Third name (if applicable)
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h) Residential address:

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(number, street, city, province, territory or state, country, postal code)

i) Occupation:

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**SCHEDULE O****Contact information for****Notice of collection and use of personal information****Alberta**

Alberta Securities Commission,  
4th Floor, 300 - 5th Avenue SW  
Calgary, AB T2P 3C4  
Attention: Information Officer  
Telephone: (403) 355-4151

**British Columbia**

British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC V7Y 1L2  
Attention: Freedom of Information Officer  
Telephone: (604) 899-6500 or (800) 373-6393 (in BC)

**Manitoba**

The Manitoba Securities Commission  
500 - 400 St. Mary Avenue  
Winnipeg, MB R3C 4K5  
Attention: Director of Registrations  
Telephone (204) 945-2548  
Fax (204) 945-0330

**New Brunswick**

New Brunswick Securities Commission  
Suite 300, 85 Charlotte Street  
Saint John, NB E2L 2J2  
Attention: Director, Regulatory Affairs  
Telephone: (506) 658-3060

**Newfoundland and Labrador**

Securities NL  
Financial Services Regulation Division  
Department of Government Services  
P.O. Box 8700, 2nd Floor, West Block  
Confederation Building  
St. John's, NL A1B 4J6  
Attention: Manager of Registrations  
Tel: (709) 729-5661

**Nunavut**

Legal Registries Division  
Department of Justice  
Government of Nunavut  
P.O. Box 1000 Station 570  
Iqaluit, NU X0A 0H0  
Attention: Deputy Registrar of Securities  
Telephone: (867) 975-6590

**Ontario**

Ontario Securities Commission  
Suite 1903, Box 55  
20 Queen Street West  
Toronto, ON M5H 3S8  
Attention: FOI Coordinator  
Telephone: (416) 593-8314

**Prince Edward Island**

Securities Registry  
Office of the Attorney General B Consumer,  
Corporate and  
Insurance Services Division  
P.O. Box 2000  
Charlottetown, PE C1A 7N8  
Attention: Deputy Registrar of Securities  
Telephone: (902) 368-6288

**Québec**

Autorité des marchés financiers  
800, square Victoria, 22e étage  
C.P. 246, tour de la Bourse  
Montréal (Québec) H4Z 1G3  
Attention: Responsable de l'accès à l'information  
Telephone: (514) 395-0337 or  
(877) 525-0337 (in Québec)

**Saskatchewan**

Saskatchewan Financial Services Commission  
Suite 601, 1919 Saskatchewan Drive  
Regina, SK S4P 4H2  
Attention: Director  
Telephone: (306) 787-5842

**Nova Scotia**

Nova Scotia Securities Commission  
2nd Floor, Joseph Howe Building  
1690 Hollis Street  
P.O. Box 458  
Halifax, NS B3J 2P8  
Attention: Deputy Director, Capital Markets  
Telephone: (902) 424-7768

**Northwest Territories**

Government of the Northwest Territories  
P.O. Box 1320  
Yellowknife, NWT X1A 2L9  
Attention: Deputy Superintendent of Securities  
Telephone: (867) 920-8984

**Yukon**

Yukon Securities Office  
Department of Community Services  
P.O. Box 2703 C-6  
Whitehorse, YT Y1A 2C6  
Attention: Superintendent of Securities  
Telephone: (867) 667-5225

**Self-regulatory organization**

Investment Industry Regulatory Organization of  
Canada  
121 King Street West, Suite 1600  
Toronto, Ontario M5H 3T9  
Attention: Privacy Officer  
Telephone: (416) 364-6133  
E-mail: PrivacyOfficer@iiroc.ca

**FORM 33-109F5**  
**CHANGE OF REGISTRATION INFORMATION**  
**(sections 3.1 and 4.1 )**

**GENERAL INSTRUCTIONS**

Complete and submit this form to notify the relevant regulator(s) or, in Québec, the securities regulatory authority, or self-regulatory organization (SRO) of changes to information in the following forms:

1. Form 33-109F6, except for the changes set out in section 3.1 of National Instrument 33-109, or
2. Form 33-109F4.

**How to submit this form**

To report changes to information in a Form 33-109F4, submit this form at the National Registration Database website in NRD format at [www.nrd.ca](http://www.nrd.ca).

Submit this form in a format other than NRD format to report changes to information in a:

- a) Form 33-109F6, or
- b) Form 33-109F4, if the individual is relying on the temporary hardship exemption in section 5.1 of National Instrument 31-102 [*National Registration Database*].

**Item 1 Type of form**

Check the form that is being updated:

- Form 33-109F6
- Form 33-109F4

Name of individual \_\_\_\_\_

**Item 2 Details of change**

Provide the item number and details for each change to the form selected above:

Item number \_\_\_\_\_ Details \_\_\_\_\_

Effective date of change \_\_\_\_\_  
(YYYY/MM/DD)

### **Item 3 Notice of collection and use of personal information**

The personal information required under this form is collected on behalf of, and used by, the securities regulatory authorities in the jurisdictions set out in Schedule A to administer and enforce certain provisions of their securities legislation or derivatives legislation or both.

The personal information required under this form is also collected by and used by the SROs set out in Schedule A to administer and enforce their respective by-laws, regulations, rules, rulings and policies.

By submitting this form, the individual consents to the collection by the securities regulatory authorities or applicable SRO of this personal information, and any police records, records from other government or non-governmental regulators or SROs, credit records and employment records about the individual that the securities regulatory authorities or applicable SRO may need to complete their review of the information submitted in this form relating to the individual's continued fitness for registration or approval, if applicable, in accordance with the legal authority of the securities regulatory authorities while the individual is registered with or approved by it. Securities regulatory authorities or SROs may contact government and private bodies or agencies, individuals, corporations and other organizations for information about the individual.

If you have any questions about the collection and use of this information, contact the securities regulatory authorities or applicable SRO in any jurisdiction in which the required information is submitted. See Schedule A for details. In Québec, you can also contact the Commission d'accès à l'information at 1-888-528-7741 or visit its website at [www.cai.gouv.qc.ca](http://www.cai.gouv.qc.ca).

### **Item 4 Warning**

**It is an offence under securities legislation and/or derivatives legislation, including commodity futures legislation to give false or misleading information on this form.**

### **Item 5 Certification**

#### **1. Use the following certification when submitting this form in NRD format when making changes to Form 33-109F4**

I confirm I have discussed the questions in this form with an officer, branch manager or supervisor of my sponsoring firm. To the best of my knowledge and belief, the

officer, branch manager or supervisor was satisfied that I fully understood the questions. I will limit my activities to those permitted by my category of registration.

I am making this submission as agent for the individual identified in this form. By checking this box, I certify that the individual provided me with all of the information on this form.

**2. Use the following certification when submitting this form in a format other than NRD format when making changes to Form 33-109F6**

By signing below I certify to each regulator or, in Québec, the securities regulatory authority, in each jurisdiction where I am submitting this form, either directly or through the principal regulator, that:

- I have read this form and understand the questions, and
- all of the information provided on this form is true, and complete.

\_\_\_\_\_  
Name of firm

\_\_\_\_\_  
Name of authorized signing officer or partner

\_\_\_\_\_  
Title of authorized signing officer or partner

\_\_\_\_\_  
Signature of authorized signing officer or partner

\_\_\_\_\_  
Date signed (YYYY/MM/DD)

**3. Use the following certification when submitting this form in a format other than NRD format under the temporary hardship exemption in section 5.1 of NI 31-102 when making changes to Form 33-109F4**

By signing below, I certify to the regulator or, in Québec, the securities regulatory authority, in each jurisdiction where I am submitting this form, either directly or through the principal regulator, that:

- I have read this form and understand the questions; and
- all of the information provided on this form is true and complete.

\_\_\_\_\_  
Signature of individual

\_\_\_\_\_  
Date signed (YYYY/MM/DD)

**SCHEDULE A****Contact information for Notice of collection and use of personal information****Alberta**

Alberta Securities Commission,  
4th Floor, 300 - 5th Avenue SW  
Calgary, AB T2P 3C4  
Attention: Information Officer  
Telephone: (403) 355-4151

**British Columbia**

British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC V7Y 1L2  
Attention: Freedom of Information Officer  
Telephone: (604) 899-6500 or (800) 373-6393 (in BC)

**Manitoba**

The Manitoba Securities Commission  
500 - 400 St. Mary Avenue  
Winnipeg, MB R3C 4K5  
Attention: Director of Registrations  
Telephone (204) 945-2548  
Fax (204) 945-0330

**New Brunswick**

New Brunswick Securities Commission  
Suite 300, 85 Charlotte Street  
Saint John, NB E2L 2J2  
Attention: Director, Regulatory Affairs  
Telephone: (506) 658-3060

**Newfoundland and Labrador**

Securities NL  
Financial Services Regulation Division  
Department of Government Services  
P.O. Box 8700, 2nd Floor, West Block  
Confederation Building  
St. John's, NL A1B 4J6  
Attention: Manager of Registrations  
Tel: (709) 729-5661

**Nunavut**

Legal Registries Division  
Department of Justice  
Government of Nunavut  
P.O. Box 1000 Station 570  
Iqaluit, NU X0A 0H0  
Attention: Deputy Registrar of Securities  
Telephone: (867) 975-6590

**Ontario**

Ontario Securities Commission  
Suite 1903, Box 55  
20 Queen Street West  
Toronto, ON M5H 3S8  
Attention: FOI Coordinator  
Telephone: (416) 593-8314

**Prince Edward Island**

Securities Registry  
Office of the Attorney General B Consumer,  
Corporate and  
Insurance Services Division  
P.O. Box 2000  
Charlottetown, PE C1A 7N8  
Attention: Deputy Registrar of Securities  
Telephone: (902) 368-6288

**Québec**

Autorité des marchés financiers  
800, square Victoria, 22e étage  
C.P. 246, tour de la Bourse  
Montréal (Québec) H4Z 1G3  
Attention: Responsable de l'accès à l'information  
Telephone: (514) 395-0337 or  
(877) 525-0337 (in Québec)

**Saskatchewan**

Saskatchewan Financial Services Commission  
Suite 601, 1919 Saskatchewan Drive  
Regina, SK S4P 4H2  
Attention: Director  
Telephone: (306) 787-5842



**Nova Scotia**

Nova Scotia Securities Commission  
2nd Floor, Joseph Howe Building  
1690 Hollis Street  
P.O. Box 458  
Halifax, NS B3J 2P8  
Attention: Deputy Director, Capital Markets  
Telephone: (902) 424-7768

**Northwest Territories**

Government of the Northwest Territories  
P.O. Box 1320  
Yellowknife, NWT X1A 2L9  
Attention: Deputy Superintendent of Securities  
Telephone: (867) 920-8984

**Yukon**

Yukon Securities Office  
Department of Community Services  
P.O. Box 2703 C-6  
Whitehorse, YT Y1A 2C6  
Attention: Superintendent of Securities  
Telephone: (867) 667-5225

**Self-regulatory organization**

Investment Industry Regulatory Organization of  
Canada  
121 King Street West, Suite 1600  
Toronto, Ontario M5H 3T9  
Attention: Privacy Officer  
Telephone: (416) 364-6133  
E-mail: PrivacyOfficer@iiroc.ca

**Form 33 – 109F6 Firm registration****Who should complete this form?**

This form is for firms seeking registration under securities legislation, derivatives legislation or both.

Complete and submit this form to seek initial registration as a dealer, adviser or investment fund manager, or to add one or more jurisdiction of Canada or categories to a firm's registration.

**Definitions**

Chief compliance officer – see section 2.1 of NI 31-103.

Derivatives – financial instruments, such as futures contracts (including exchange traded contracts), futures options and swaps whose market price, value or payment obligations are derived from or based on one or more underlying interests. Derivatives can be in the form of instruments, agreements or securities.

Firm – the person or company seeking registration.

Form – Form 33-109F6 *Firm registration*.

NI 31-103 – National Instrument 31-103 *Registration Requirements and Exemptions*.

NI 33-109 – National Instrument 33-109 *Registration Information*.

NRD – National Registration Database. For more information, visit [www.nrd-info.ca](http://www.nrd-info.ca).

Parent – a person or company that directly or indirectly has significant control of another person or company.

Permitted individual – see NI 33-109.

Predecessor – any entity listed in question 3.6 of this form.

Principal Regulator – see NI 33-109.

Significant control – a person or company has significant control of another person or company if the person or company:

- directly or indirectly holds voting securities representing more than 20 per cent of the outstanding voting rights attached to all outstanding voting securities of the other person or company, or
- directly or indirectly is able to elect or appoint a majority of the directors (or individuals performing similar functions or occupying similar positions) of the other person or company.

Specified affiliate – a person or company that is a parent of the firm, a specified subsidiary of the firm, or a specified subsidiary of the firm's parent.

Specified subsidiary – a person or company of which another person or company has significant control.

SRO – see National Instrument 14-101 *Definitions*.

Ultimate designated person – see section 2.1 of NI 31-103.

You – the individual who completes, submits, files and/or signs the form on behalf of the firm.

We and the regulator – the securities regulatory authority or regulator in the jurisdiction(s) of Canada where the firm is seeking registration.

**Contents of the form**

This form consists of the following:

- Part 1 – Registration details
- Part 2 – Contact information
- Part 3 – Business history and structure
- Part 4 – Registration history
- Part 5 – Financial condition
- Part 6 – Client relationships
- Part 7 – Regulatory action
- Part 8 – Legal action
- Part 9 – Certification
- Schedule A – Contact information for notice of collection and use of personal information
- Schedule B – Submission to jurisdiction and appointment of agent for service
- Schedule C – Form 31-103F1 *Calculation of excess working capital*

You are also required to submit the following supporting documents with your completed form:

1. Schedule B – Submission to Jurisdiction and Appointment of Agent for Service for each jurisdiction where the firm is seeking registration (question 2.4)
2. Business plan, policies and procedures manual, and client agreements (British Columbia, Alberta and Manitoba only) (question 3.3)
3. Constatting documents (question 3.7)
4. Organization chart (question 3.11)
5. Ownership chart (question 3.12)
6. Calculation of excess working capital (question 5.1)
7. Directors' resolution approving insurance (question 5.7)
8. Audited financial statements (question 5.13)
9. Letter of direction to auditors (question 5.14)

**How to complete and submit the form**

All dollar values are in Canadian dollars. If a question does not apply to the firm, write "n/a" in the space for the answer.

If the firm is seeking registration in more than one jurisdiction of Canada or category, other than in the category of restricted dealer, you only need to complete and submit one form. If the firm is seeking registration as a restricted dealer, submit and file the form with each jurisdiction of Canada where the firm is seeking that registration.

You can complete this form:

- on paper and deliver it to the principal regulator or relevant SRO
- on paper, scan it and e-mail it to the principal regulator or SRO

If the firm is seeking registration in Ontario, and Ontario is not the firm's principal regulator, you must also file a copy of this form, without supporting documents, with the Ontario Securities Commission.

You can find contact information for submitting and filing the form in Appendix B of Companion Policy 33-109CP *Registration Information*.

We may accept the form in other formats. Please check with the regulator before you complete, submit and file the form. If you are completing the form on paper and need more space to answer a question, use a separate sheet of paper and attach it to this form. Clearly identify the question number.

The firm is required to pay a registration fee in each jurisdiction of Canada where it is submitting and filing this form. Refer to the prescribed fees of the applicable jurisdiction for details.

You must include all supporting documents and fees with your submission. We may ask you to provide other information and documents to help determine whether the firm is suitable for registration.

**It is an offence under securities legislation or derivatives legislation to give false or misleading information on this form.**

**Updating the information on the form**

See Part 3 of NI 33-109.

The firm is required to notify the regulator, within specified times, of any changes to the information on this form by submitting and filing Form 33-109F5 *Change of Registration Information*.

**Collection and use of personal information**

We and the SROs (if applicable) require personal information about the people referred to in this form as part of our review to determine whether the firm is suitable for registration. If the firm is approved, we also require this information to assess whether the firm continues to meet the registration requirements.

We may only:

- collect the personal information under the requirements in securities legislation or derivatives legislation or both
- use this information to administer and enforce provisions of the securities legislation or derivatives legislation or both

We may collect personal information from police records, records of other regulators or SROs, credit records, employment records, government and private bodies or agencies, individuals, corporations, and other organizations. We may also collect personal information indirectly.

We may provide personal information about the individuals referred to in this form to other regulators, securities or derivatives exchanges, SROs or similar organizations, if required for an investigation or other regulatory issue.

If anyone referred to in this form has any questions about the collection and use of their personal information, they can contact the regulator or SRO, if applicable, in the relevant jurisdiction of Canada. See Schedule A for details. In Québec, they can also contact the Commission d'accès à l'information du Québec at 1-888-528-7741 or visit its website at [www.cai.gouv.qc.ca](http://www.cai.gouv.qc.ca).

**Part 1 – Registration details**

**1.1 Firm's full legal name**

Provide the full legal name of the firm as it appears on the firm's constating documents required under question 3.7. If the firm is a sole proprietorship, provide your first, last and any middle names.

If the firm's legal name is in English and French, provide both versions.

**1.2 Firm's NRD number**

For more information, visit [www.nrd-info.ca](http://www.nrd-info.ca).

**1.3 Why are you submitting this form?**

- To seek initial registration as a firm in one or more jurisdictions of Canada
- To add one or more jurisdictions of Canada to the firm's registration
- To add one or more categories to the firm's 5.5, registration

**Complete:**

The entire form  
 Questions 1.1, 1.2, 1.4, 1.5, 2.4, and Part 9  
 Questions 1.1, 1.2, 1.4, 1.5, 5.1, 5.4, 5.6, 5.7, 5.8, Part 6 and Part 9

**1.4 In what category and jurisdiction is the firm seeking registration? Check all that apply.**

(a) Categories under securities legislation

Abbreviations	Category	Jurisdiction												
		AB	BC	MB	NB	NL	NT	NS	NU	ON	PE	QC	SK	YT
Alberta (AB)	Investment dealer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
British Columbia (BC)	Mutual fund dealer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Manitoba (MB)	Scholarship plan dealer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
New Brunswick (NB)	Exempt market dealer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Newfoundland and Labrador (NL)	Restricted dealer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Northwest Territories (NT)	Investment fund manager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Nova Scotia (NS)	Portfolio manager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Nunavut (NU)	Restricted portfolio manager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ontario (ON)														
Prince Edward Island (PE)														
Québec (QC)														
Saskatchewan (SK)														
Yukon (YT)														

(b) Categories under derivatives legislation (Manitoba and Ontario only)

Category	Manitoba	Ontario
Dealer (merchant)	<input type="checkbox"/>	
Dealer (futures commission merchant)	<input type="checkbox"/>	
Dealer (floor broker)	<input type="checkbox"/>	
Local Adviser	<input type="checkbox"/>	
Commodity trading adviser		<input type="checkbox"/>
Commodity trading counsel		<input type="checkbox"/>
Commodity trading manager		<input type="checkbox"/>
Futures commission merchant		<input type="checkbox"/>

## (c) Investment dealers and portfolio managers (Québec only)

If the firm is seeking registration in Québec as an investment dealer or a portfolio manager, will the firm also act as a:

Derivatives dealer                      Yes     No   
 Derivatives portfolio manager      Yes     No

**1.5 Exemptions**

Is the firm applying for any exemptions under securities or derivatives legislation?

Yes     No

If yes, provide the following information for each exemption:

Type of exemption													
Legislation													
Jurisdiction(s) where the firm has applied for the exemption													
AB	BC	MB	NB	NL	NT	NS	NU	ON	PE	QC	SK	YT	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Part 2 – Contact information****Addresses****2.1 Head office address**

A post office box on its own is not acceptable for a head office address.

Address line 1	
Address line 2	
City	Province/territory/state
Country	Postal/zip code
Telephone number	Fax number
Website	

If the firm's head office is in Canada, go to question 2.3.

If the firm's head office is not in Canada, go to question 2.2.

**2.2 Firms whose head office is not in Canada**

(a) Does the firm have any business addresses in Canada?

Yes  No 

If yes, provide the firm's primary Canadian business address:

Address line 1	
Address line 2	
City	Province/territory
Postal code	

The securities regulatory authority in this jurisdiction of Canada is the firm's principal regulator in Canada.

(b) If a firm is not registered in a jurisdiction of Canada or has not completed its first financial year since being registered, indicate the jurisdiction of Canada in which the firm expects most of its clients to be resident at the end of its current financial year. In all other circumstances, indicate the jurisdiction of Canada in which most of the firm's clients were resident at the end of its most recently completed financial year.

AB  BC  MB  NB  NL  NT  NS  NU  ON  PE  QC  SK  YT

A post office box is acceptable for a mailing address.

**2.3 Mailing address** Same as the head office address

Address line 1	
Address line 2	
City	Province/territory/state
Country	Postal/zip code

If the firm does not have an office in a jurisdiction of Canada where it is seeking registration, it must appoint an agent for service in that jurisdiction of Canada.

**2.4 Address for service and agent for service**

Attach a completed Schedule B *Submission to Jurisdiction and Appointment of Agent for Service* for each jurisdiction of Canada where the firm is seeking registration and does not have an office.

**Contact names**

A registered firm must have an individual registered in the category of ultimate designated person.

**2.5 Ultimate designated person**

Legal name	
Title	
NRD number, if available	
Address	
<input type="checkbox"/> Same as firm head office address	
Address line 1	
Address line 2	
City	Province/territory/state
Country	Postal/zip code
Telephone number	E-mail address

**2.6 Chief compliance officer**

Same as ultimate designated person

A registered firm must have an individual registered in the category of chief compliance officer.

Legal name	
Title	
NRD number, if available	
Address	
<input type="checkbox"/> Same as firm head office address	
Address line 1	
Address line 2	
City	Province/territory/state
Country	Postal/zip code
Telephone number	E-mail address



**Part 3 – Business history and structure****Business activities****3.1 The firm's business**

Provide a description of the firm's proposed business, including its primary business activities, target market, and the products and services it will provide to clients.

**3.2 Other names**

In addition to the firm's legal name in question 1.1, does the firm use any other names, such as a trade name?

Yes  No

If yes, list all other names and indicate if each name has been registered:

**3.3 Business documents**

Does the firm have the following documents to support its business activities?

	Yes	No
(a) Business plan for at least the next three years		
(b) Policies and procedures manual, including account opening procedures and the firm's policy on fairness in allocation of investment opportunities, if applicable		

If no, explain why the firm does not have the document:

If the regulator in British Columbia, Alberta or Manitoba is the principal regulator of the firm seeking registration, attach the firm's business plan, policies and procedures manual and client agreements, including any investment policy statements and investment management agreements.

**History of the firm****3.4 When was the firm created?**

**3.5 How was the firm created?**

- New start-up  Go to question 3.7.  
 Merger or amalgamation  Go to question 3.6.  
 Reorganization  Go to question 3.6.  
 Other statutory arrangement  Please specify below and go to question 3.6.

**3.6 Predecessors**

List the entities that were merged, amalgamated, reorganized or otherwise arranged to create the firm.

--

**3.7 Constatting documents**

Attach the legal documents that established the firm as an entity, for example, the firm’s articles and certificate of incorporation, any articles of amendments, partnership agreement or declaration of trust. If the firm is a sole proprietorship, provide a copy of the registration of trade name.

As part of their constating documents, firms whose head office is outside Canada may be required to provide proof of extra-provincial registration.

**Business structure and ownership**

**3.8 Type of legal structure**

- Sole proprietorship
- Partnership
- Limited partnership  Name of general partner \_\_\_\_\_
- Corporation
- Other  Please specify \_\_\_\_\_

**3.9 Business registration number, if applicable**

List the firm’s business registration number for each jurisdiction of Canada where the firm is seeking registration.

This is the firm’s corporate registration number or Québec enterprise number (NEQ).

Business registration number	Jurisdiction of Canada

**3.10 Permitted individuals**

List all permitted individuals of the firm.

Name	Title	NRD number, if applicable

**3.11 Organization chart**

Attach an organization chart showing the firm's reporting structure. Include all permitted individuals, the ultimate designated person and the chief compliance officer.

**3.12 Ownership chart**

Attach a chart showing the firm's structure and ownership. At a minimum, include all parents, specified affiliates and specified subsidiaries.

Include the name of the person or company, and class, type, amount and voting percentage of ownership of the firm's securities.

**Part 4 – Registration history**

The questions in Part 4 apply to any jurisdiction in the world.

**4.1 Securities registration**

In the last seven years, has the firm, or any predecessors or specified affiliates of the firm been registered or licensed to trade or advise in securities or derivatives?

Yes  No

If yes, provide the following information for each registration:

Name of entity	
Registration category	
Regulator/organization	
Date registered or licensed (yyyy/mm/dd)	Expiry date, if applicable (yyyy/mm/dd)
Jurisdiction	

**4.2 Exemption from securities registration**

Is the firm currently relying on any exemptions from registration or licensing to trade or advise in securities or derivatives?

Yes  No

If yes, provide the following information for each exemption:

Type of exemption
Regulator/organization
Date of exemption (yyyy/mm/dd)
Jurisdiction

**4.3 Membership in an exchange or SRO**

In the last seven years, has the firm, or any predecessors or specified affiliates of the firm been a member of a securities or derivatives exchange, SRO or similar organization?

Yes  No

If yes, provide the following information for each membership:

Name of entity	
Organization	
Date of membership (yyyy/mm/dd)	Expiry date, if applicable (yyyy/mm/dd)
Jurisdiction	

**4.4 Exemption from membership in an exchange or SRO**

Is the firm currently relying on any exemptions from membership with a securities or derivatives exchange, SRO or similar organization?

Yes  No

If yes, provide the following information for each exemption:

Type of exemption
Organization
Date of exemption (yyyy/mm/dd)
Jurisdiction

**4.5 Refusal of registration, licensing or membership**

Has the firm, or any predecessors or specified affiliates of the firm ever been refused registration, licensing or membership with a financial services regulator, securities or derivatives exchange, SRO or similar organization?

Yes  No

If yes, provide the following information for each refusal:

Name of entity
Reason for refusal
Regulator/organization
Date of refusal (yyyy/mm/dd)
Jurisdiction

**4.6 Registration for other financial products**

Examples of other financial products include financial planning, life insurance and mortgages.

In the last seven years, has the firm, or any predecessors or specified affiliates of the firm been registered or licensed under legislation that requires registration or licensing to sell or advise in a financial product other than securities or derivatives?

Yes  No

If yes, provide the following information for each registration or licence:

Name of entity	
Type of licence or registration	
Regulator/organization	
Date of registration (yyyy/mm/dd)	Expiry date, if applicable (yyyy/mm/dd)
Jurisdiction	

**Part 5 – Financial condition****Capital requirements****5.1 Calculation of excess working capital**

Attach the firm's calculation of excess working capital. Firms that are members of an SRO must use the capital calculation form required by their SRO. Firms that are not members of an SRO must use Form 31-103F1 *Calculation of Excess Working Capital*. See Schedule C.

**5.2 Sources of capital**

List all cash, cash equivalents, debt and equity sources of the firm's capital.

Name of person or entity providing the capital	Type of capital	Amount (\$)

**5.3 Guarantors**

See Schedule C  
Form 31-103F1  
*Calculation of  
Excess  
Working  
Capital.*

In relation to its business, does the firm:

	Yes	No
(a) Have any guarantors?		
(b) Act as a guarantor for any party?		

If yes, provide the following information for each guarantee:

Name of party to the guarantee	
NRD number, if applicable	
Relationship to the firm	Amount of guarantee (\$)
Details of the guarantee	

**Bonding and insurance**

Questions 5.4 to 5.8 apply to the firm’s bonding or insurance coverage or proposed bonding or insurance coverage for securities and derivatives activities only. This in accordance with Part 12, Division 2 of NI 31-103.

**5.4 Jurisdictions covered**

This information is on the financial institution bond.

Where does the firm have bonding or insurance coverage?

- AB
- BC
- MB
- NB
- NL
- NT
- NS
- NU
- ON
- PE
- QC
- SK
- YT

If the firm’s bonding or insurance does not cover all jurisdiction of Canada where it is seeking registration, explain why.

--

**5.5 Bonding or insurance details**

This information is on the binder of insurance or on the financial

Name of insurer
Bond or policy number
Specific insuring agreements and clauses

institution  
bond.

Coverage for each claim (\$)	Annual aggregate coverage (\$)
Amount of the deductible (\$)	Renewal date (yyyy/mm/dd)

If the firm's insurance or proposed insurance is not in the form of a financial institution bond, explain how it provides equivalent coverage to the bond.

--

#### 5.6 Professional liability insurance (Québec only)

If the firm is seeking registration in Québec as a mutual fund dealer or a scholarship plan dealer, provide the following information about the firm's professional liability insurance:

Name of insurer																											
Policy number																											
Specific insuring agreements and clauses																											
Coverage for each claim (\$)	Annual aggregate coverage (\$)																										
Amount of the deductible (\$)	Renewal date (yyyy/mm/dd)																										
Jurisdictions covered:																											
<table style="width: 100%; text-align: center;"> <tr> <td>AB</td><td>BC</td><td>MB</td><td>NB</td><td>NL</td><td>NT</td><td>NS</td><td>NU</td><td>ON</td><td>PE</td><td>QC</td><td>SK</td><td>YT</td> </tr> <tr> <td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td> </tr> </table>		AB	BC	MB	NB	NL	NT	NS	NU	ON	PE	QC	SK	YT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Which insurance policy applies to your representatives?																											
Firm's policy <input type="checkbox"/> Individual's policy <input type="checkbox"/> Both <input type="checkbox"/>																											

#### 5.7 Directors' resolution approving insurance

Attach a directors' resolution confirming that the firm has sufficient insurance coverage for its securities or derivatives-related activities.

#### 5.8 Bonding or insurance claims

In the last seven years, has the firm made any claims against a bond or on its insurance?

Yes  No

If yes, provide the following information for each claim:

Type of bond or insurance	
Date of claim (yyyy/mm/dd)	Amount (\$)
Reason for claim	

Date resolved (yyyy/mm/dd)	Result
Jurisdiction	

**Solvency****5.9 Bankruptcy**

In the last seven years, has the firm or any of its specified affiliates declared bankruptcy, made an assignment or proposal in bankruptcy, or been the subject of a petition in bankruptcy, or the equivalent in any jurisdiction?

Yes  No

If yes, provide the following information for each bankruptcy or assignment in bankruptcy:

Name of entity	
Reason for bankruptcy or assignment	
Date of bankruptcy, assignment or petition (yyyy/mm/dd)	Date discharge granted, if applicable (yyyy/mm/dd)
Name of trustee	
Jurisdiction	

If applicable, attach a copy of any discharge, release or equivalent document.

**5.10 Appointment of receiver**

In the last seven years, has the firm or any of its specified affiliates appointed a receiver or receiver manager, or had one appointed, or the equivalent in any jurisdiction?

Yes  No

If yes, provide the following information for each appointment of receiver:

Name of entity	
Date of appointment (yyyy/mm/dd)	Reason for appointment
Date appointment ended (yyyy/mm/dd)	Reason appointment ended
Name of receiver or receiver manager	
Jurisdiction	



**Financial reporting****5.11 Financial year-end**

(mm/dd)

If the firm has not established its financial year-end, explain why.

--

Provide the name of the individual auditing the financial statements and the name of the firm, if applicable.

**5.12 Auditor**

Name of auditor and accounting firm

**5.13 Audited financial statements**

Attach audited financial statements prepared within the last 90 days.

If the firm is a start-up company, you can attach an audited opening balance sheet instead.

**5.14 Letter of direction to auditors**

We may request an audit of the firm at any time while the firm is registered.

Attach a letter of direction from the firm authorizing the auditor to conduct any audit or review of the firm that the regulator may request.

**Part 6 – Client relationships****6.1 Client assets**

See Part 14, Division 3 of NI 31-103 and Companion Policy 31-103CP.

Does the firm hold or have access to client assets?

Yes  No 

If yes, provide the following information for each financial institution where the trust accounts for client assets are held.

Name of financial institution	
Address line 1	
Address line 2	
City	Province/territory
Postal code	Telephone number

**6.2 Conflicts of interest**

Does the firm have or expect to have any relationships that could reasonably result in any significant conflicts of interest in carrying out its registerable activities in accordance with securities or derivatives legislation?

Yes  No

If yes, complete the following questions:

(a) Provide details about each conflict:

--

(b) Does the firm have policies and procedures to identify and respond to its conflicts of interest?

Yes  No

If no, explain why:

--

**Part 7 – Regulatory action**

The questions in Part 7 apply to any jurisdiction in the world.

**7.1 Settlement agreements**

Has the firm, or any predecessors or specified affiliates of the firm ever entered into a settlement agreement with any financial services regulator, securities or derivatives exchange, SRO or similar organization?

Yes  No

If yes, provide the following information for each settlement agreement:

Name of entity
Regulator/organization
Date of settlement (yyyy/mm/dd)
Details of settlement
Jurisdiction

**7.2 Disciplinary history**

Has any financial services regulator, securities or derivatives exchange, SRO or similar organization ever:

	Yes	No
(a) Determined that the firm, or any predecessors or specified affiliates of the firm violated any securities regulations or any rules of a securities or derivatives exchange, SRO or similar organization?		
(b) Determined that the firm, or any predecessors or specified affiliates of the firm made a false statement or omission?		
(c) Issued a warning or requested an undertaking by the firm, or any predecessors or specified affiliates of the firm?		
(d) Suspended or terminated any registration, licensing or membership of the firm, or any predecessors or specified affiliates of the firm?		
(e) Imposed terms or conditions on any registration or membership of the firm, or predecessors or specified affiliates of the firm?		
(f) Conducted a proceeding or investigation involving the firm, or any predecessors or specified affiliates of the firm?		
(g) Issued an order (other than an exemption order) or a sanction to the firm, or any predecessors or specified affiliates of the firm for securities or derivatives-related activity (e.g. cease trade order)?		

If yes, provide the following information for each action:

Name of entity	
Type of action	
Regulator/organization	
Date of action (yyyy/mm/dd)	Reason for action
Jurisdiction	

**7.3 Ongoing investigations**

Is the firm aware of any ongoing investigations of which the firm or any of its specified affiliates is the subject?

Yes  No

If yes, provide the following information for each investigation:

Name of entity	
Reason or purpose of investigation	
Regulator/organization	
Date investigation commenced (yyyy/mm/dd)	
Jurisdiction	

**Part 8 – Legal action**

The firm must disclose offences or legal actions under any statute governing the firm and its business activities in any jurisdiction.

**8.1 Criminal convictions**

Has the firm, or any predecessors or specified affiliates of the firm ever been convicted of any criminal or quasi-criminal offence?

Yes  No

If yes, provide the following information for each conviction:

Name of entity	
Type of offence	
Case name	Case number, if applicable
Date of conviction (yyyy/mm/dd)	
Jurisdiction	

**8.2 Outstanding criminal charges**

Is the firm or any of its specified affiliates currently the subject of any outstanding criminal or quasi-criminal charges?

Yes  No

If yes, provide the following information for each charge:

Name of entity
Type of offence
Date of charge (yyyy/mm/dd)
Jurisdiction

**8.3 Outstanding legal actions**

	Yes	No
(a) Is the firm currently a defendant or respondent (or the equivalent in any jurisdiction) in any outstanding legal action?		
(b) Are any of the firm's specified affiliates currently a defendant or respondent (or the equivalent in any jurisdiction) in any outstanding legal action that involves fraud, theft or securities-related activities, or that could significantly affect the firm's business?		

If yes, provide the following information for each legal action:

Name of entity
Type of legal action
Date of legal action (yyyy/mm/dd)
Current stage of litigation
Remedies requested by plaintiff or appellant
Jurisdiction

**8.4 Judgments**

	Yes	No
(a) Has any judgment been rendered against the firm or is any judgment outstanding in any civil court for damages or other relief relating to fraud, theft or securities-related activities?		
(b) Are any of the firm's specified affiliates currently the subject of any judgments that involve fraud, theft or securities-related activities, or that could significantly affect the firm's business?		

If yes, provide the following information for each judgment:

Name of entity
Type of judgment
Date of judgment (yyyy/mm/dd)
Current stage of litigation, if applicable
Remedies requested by plaintiffs

**Part 9 – Certification**

It is an offence under securities legislation or derivatives legislation to give false or misleading information on this form.

By signing below, you:

1. Certify to the regulator in each jurisdiction of Canada where the firm is submitting and filing this form, either directly or through the principal regulator, that:
  - you have read this form, and
  - to the best of your knowledge and after reasonable inquiry, all of the information provided on this form is true and complete.
2. Certify to each regulator in a non-principal jurisdiction of Canada where the firm is submitting and filing this form, either directly or through the principal regulator, that at the date of this submission:
  - the firm has submitted and filed all information required to be submitted and filed under the securities legislation or derivatives legislation or both of the principal jurisdiction of Canada in relation to the firm's registration in that jurisdiction, and
  - this information is true and complete.
3. Authorize the principal regulator to give each non-principal regulator access to any information the firm has submitted or filed with the principal regulator under securities legislation or derivatives legislation or both of the principal jurisdiction of Canada in relation to the firm's registration in that jurisdiction.

4. Acknowledge that the regulator may collect and provide personal information about the individuals referred to in this form under *Collection and use of personal information*.
5. Confirm that the individuals referred to in this form have been notified that their personal information is disclosed on this form, the legal reason for doing so, how it will be used and who to contact for more information.

Name of firm	
Name of firm's authorized signing officer or partner	
Title of firm's authorized signing officer or partner	
Signature	
Date (yyyy/mm/dd)	

**Witness**

The witness must be a lawyer, notary public or commissioner of oaths.

Name of witness	
Title of witness	
Signature	
Date (yyyy/mm/dd)	

**SCHEDULE A****Contact information for****Notice of collection and use of personal information****Alberta**

Alberta Securities Commission,  
4th Floor, 300 - 5th Avenue SW  
Calgary, AB T2P 3C4  
Attention: Information Officer  
Telephone: (403) 355-4151

**British Columbia**

British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC V7Y 1L2  
Attention: Freedom of Information Officer  
Telephone: (604) 899-6500 or (800) 373-6393 (in BC)

**Manitoba**

The Manitoba Securities Commission  
500 - 400 St. Mary Avenue  
Winnipeg, MB R3C 4K5  
Attention: Director of Registrations  
Telephone (204) 945-2548  
Fax (204) 945-0330

**New Brunswick**

New Brunswick Securities Commission  
Suite 300, 85 Charlotte Street  
Saint John, NB E2L 2J2  
Attention: Director, Regulatory Affairs  
Telephone: (506) 658-3060

**Newfoundland and Labrador**

Securities NL  
Financial Services Regulation Division  
Department of Government Services  
P.O. Box 8700, 2nd Floor, West Block  
Confederation Building  
St. John's, NL A1B 4J6  
Attention: Manager of Registrations  
Tel: (709) 729-5661

**Nunavut**

Legal Registries Division  
Department of Justice  
Government of Nunavut  
P.O. Box 1000 Station 570  
Iqaluit, NU X0A 0H0  
Attention: Deputy Registrar of Securities  
Telephone: (867) 975-6590

**Ontario**

Ontario Securities Commission  
Suite 1903, Box 55  
20 Queen Street West  
Toronto, ON M5H 3S8  
Attention: FOI Coordinator  
Telephone: (416) 593-8314

**Prince Edward Island**

Securities Registry  
Office of the Attorney General B Consumer,  
Corporate and  
Insurance Services Division  
P.O. Box 2000  
Charlottetown, PE C1A 7N8  
Attention: Deputy Registrar of Securities  
Telephone: (902) 368-6288

**Québec**

Autorité des marchés financiers  
800, square Victoria, 22e étage  
C.P. 246, tour de la Bourse  
Montréal (Québec) H4Z 1G3  
Attention: Responsable de l'accès à l'information  
Telephone: (514) 395-0337 or (877) 525-0337 (in Québec)

**Saskatchewan**

Saskatchewan Financial Services Commission  
Suite 601, 1919 Saskatchewan Drive  
Regina, SK S4P 4H2  
Attention: Director  
Telephone: (306) 787-5842



**Nova Scotia**

Nova Scotia Securities Commission  
2nd Floor, Joseph Howe Building  
1690 Hollis Street  
P.O. Box 458  
Halifax, NS B3J 2P8  
Attention: Deputy Director, Capital Markets  
Telephone: (902) 424-7768

**Northwest Territories**

Government of the Northwest Territories  
P.O. Box 1320  
Yellowknife, NWT X1A 2L9  
Attention: Deputy Superintendent of Securities  
Telephone: (867) 920-8984

**Yukon**

Yukon Securities Office  
Department of Community Services  
P.O. Box 2703 C-6  
Whitehorse, YT Y1A 2C6  
Attention: Superintendent of Securities  
Telephone: (867) 667-5225

**Self-regulatory organization**

Investment Industry Regulatory Organization of  
Canada  
121 King Street West, Suite 1600  
Toronto, Ontario M5H 3T9  
Attention: Privacy Officer  
Telephone: (416) 364-6133  
E-mail: PrivacyOfficer@iiroc.ca

**SCHEDULE B****Submission to jurisdiction and appointment of agent for service**

1. Name of person or company (the "Firm"):
2. Jurisdiction of incorporation of the person or company:
3. Name of agent for service of process (the "Agent for Service"):
4. Address for service of process on the Agent for Service:
5. The Firm designates and appoints the Agent for Service at the address stated above as its agent upon whom may be served a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal or other proceeding (a "Proceeding") arising out of or relating to or concerning the Firm's activities in the local jurisdiction and irrevocably waives any right to raise as a defense in any such proceeding any alleged lack of jurisdiction to bring such Proceeding.
6. The Firm irrevocably and unconditionally submits to the non-exclusive jurisdiction of the judicial, quasi-judicial and administrative tribunals of the local jurisdiction and any administrative proceeding in the local jurisdiction, in any proceeding arising out of or related to or concerning the Firm's activities in the local jurisdiction.
7. Until six years after the Firm ceases to be registered, the Firm must file
  - a. a new Submission to Jurisdiction and Appointment of Agent for Service in this form no later than the 7th day after the date this Submission to Jurisdiction and Appointment of Agent for Service is terminated; and
  - b. an amended Submission to Jurisdiction and Appointment of Agent for Service no later than the 7th day after any change in the name or above address of the Agent for Service.

8. This Submission to Jurisdiction and Appointment of Agent for Service is governed by and construed in accordance with the laws of the local jurisdiction.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature of the Firm or authorized signatory)

\_\_\_\_\_  
(Name and Title of authorized signatory)

**Acceptance**

The undersigned accepts the appointment as Agent for Service of (Insert name of the Firm) under the terms and conditions of the foregoing Submission to Jurisdiction and Appointment of Agent for Service.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature of Agent for Service or authorized signatory)

\_\_\_\_\_  
(Name and Title of authorized signatory)

**SCHEDULE C**  
**FORM 31-103F1 Calculation of excess working capital**

\_\_\_\_\_  
 Firm Name

Capital Calculation  
 (as at \_\_\_\_\_ with comparative figures as at \_\_\_\_\_)

	Component	Current period	Prior period
1.	Current assets		
2.	Less current assets not readily convertible into cash (e.g., prepaid expenses)		
3.	Adjusted current assets Line 1 minus line 2 =		
4.	Current liabilities		
5.	Add 100% of long-term related party debt unless the firm and the lender have executed a subordination agreement in the form set out in Appendix B and the firm has delivered a copy of the agreement to the regulator or, in Québec, the securities regulatory authority		
6.	Adjusted current liabilities Line 4 plus line 5 =		
7.	Adjusted working capital Line 3 minus line 6 =		
8.	Less minimum capital		
9.	Less market risk		
10.	Less any deductible under the firm's bonding or insurance policy		
11.	Less Guarantees		
12.	Less unresolved differences		
13.	<b>Excess working capital</b>		

**Notes:**

This form must be prepared on an unconsolidated basis.

**Line 8. Minimum Capital** – The amount on this line must be not less than (a) \$25,000 for an adviser, (b) \$50,000 for a dealer, and (c) \$100,000 for an investment fund manager.

**Line 9. Market Risk** – The amount on this line must be calculated according to the instructions set out in Schedule 1 to this Form.

**Line 11. Guarantees** – If the registered firm is guaranteeing the liability of another party, the total amount of the guarantee must be included in the capital calculation. If the amount of a guarantee is included in the firm's balance sheet as a current liability and is reflected in line 4, do not include the amount of the guarantee on line 11.

**Line 12. Unresolved differences** – Any unresolved differences that could result in a loss from either firm or client assets must be included in the capital calculation.

The examples below provide guidance as to how to calculate unresolved differences:

- (i) If there is an unresolved difference relating to client securities, the amount to be reported on Line 12 will be equal to the market value of the client securities that are short, plus the applicable margin rate for those securities.
- (ii) If there is an unresolved difference relating to the registrant's investments, the amount to be reported on Line 12 will be equal to the market value of the investments (securities) that are short.
- (iii) If there is an unresolved difference relating to cash, the amount to be reported on Line 12 will be equal to the amount of the shortfall in cash.

**Management Certification**

**Registered Firm Name:** \_\_\_\_\_

We have examined the attached capital calculation and certify that the firm is in compliance with the capital requirements as at \_\_\_\_\_.

	<b>Name and Title</b>	<b>Signature</b>	<b>Date</b>
1.	_____	_____	_____
2.	_____	_____	_____

**Schedule 1 of Form 31-103F1 Calculation of Excess Working Capital  
(calculating line 9 [market risk])**

For each security whose value is included in line 1, Current Assets, multiply the market value of the security by the margin rate for that security set out below. Add up the resulting amounts for all of the securities you hold. The total is the "market risk" to be entered on line 9.

**(a) Bonds, Debentures, Treasury Bills and Notes**

- (i) Bonds, debentures, treasury bills and other securities of or guaranteed by the Government of Canada, of the United Kingdom, of the United States of America and of any other national foreign government (provided such foreign government securities are currently rated Aaa or AAA by Moody's Investors Service, Inc. or Standard & Poor's Corporation, respectively), maturing (or called for redemption):

within 1 year	1% of market value multiplied by the fraction determined by dividing the number of days to maturity by 365
over 1 year to 3 years	1 % of market value
over 3 years to 7 years	2% of market value
over 7 years to 11 years	4% of market value
over 11 years	4% of market value

- (ii) Bonds, debentures, treasury bills and other securities of or guaranteed by any province of Canada and obligations of the International Bank for Reconstruction and Development, maturing (or called for redemption):

within 1 year	2% of market value multiplied by the fraction determined by dividing the number of days to maturity by 365
over 1 year to 3 years	3 % of market value
over 3 years to 7 years	4% of market value
over 7 years to 11 years	5% of market value
over 11 years	5% of market value

- (iii) Bonds, debentures or notes (not in default) of or guaranteed by any municipal corporation in Canada or the United Kingdom maturing:

within 1 year	3% of market value multiplied by the fraction determined by dividing the number of days to maturity by 365
over 1 year to 3 years	5 % of market value

over 3 years to 7 years	5% of market value
over 7 years to 11 years	5% of market value
over 11 years	5% of market value

## (iv) Other non-commercial bonds and debentures, (not in default):

10% of market value

## (v) Commercial and corporate bonds, debentures and notes (not in default) and non-negotiable and non-transferable trust company and mortgage loan company obligations registered in the registered firm's name maturing:

within 1 year	3% of market value
over 1 year to 3 years	6 % of market value
over 3 years to 7 years	7% of market value
over 7 years to 11 years	10% of market value
over 11 years	10% of market value

**(b) Bank Paper**

Deposit certificates, promissory notes or debentures issued by a Canadian chartered bank (and of Canadian chartered bank acceptances) maturing:

within 1 year	2% of market value multiplied by the fraction determined by dividing the number of days to maturity by 365
over 1 year	apply rates for commercial and corporate bonds, debentures and notes

**(c) Acceptable foreign bank paper**

Deposit certificates, promissory notes or debentures issued by a foreign bank, readily negotiable and transferable and maturing:

within 1 year	2% of market value multiplied by the fraction determined by dividing the number of days to maturity by 365
over 1 year	apply rates for commercial and corporate bonds, debentures and notes

“Acceptable Foreign Bank Paper” consists of deposit certificates or promissory notes issued by a bank other than a Canadian chartered bank with a net worth (i.e., capital plus reserves) of not less than \$200,000,000.



**(d) Mutual Funds**

Where securities of mutual funds qualified by prospectus for sale in any province of Canada, the margin required is:

- (i) 5% of the market value of the fund, where the fund is a money market mutual fund as defined in Regulation 81-102 respecting Mutual Funds; or
- (ii) the margin rate determined on the same basis as for listed stocks multiplied by the market value of the fund.

**(e) Stocks**

- (i) On securities (other than bonds and debentures) including rights and warrants listed on any exchange in Canada or the United States:

Long Positions – Margin Required

Securities selling at \$2.00 or more – 50% of market value

Securities selling at \$1.75 to \$1.99 – 60% of market value

Securities selling at \$1.50 to \$1.74 – 80% of market value

Securities selling under \$1.50 – 100% of market value

Short Positions – Credit Required

Securities selling at \$2.00 or more – 150% of market value

Securities selling at \$1.50 to \$1.99 - \$3.00 per share

Securities selling at \$0.25 to \$1.49 – 200% of market value

Securities selling at less than \$0.25 – market value plus \$0.25 per shares

- (ii) For positions in securities (other than bonds and debentures but including warrants and rights), 50% of the market value if the security is a constituent security on a major broadly-based index of one of the following exchanges:

- (a) American Stock Exchange
- (b) Australian Stock Exchange Limited
- (c) Bolsa de Valores de Sao Paulo
- (d) Borsa Italiana
- (e) Boston Stock Exchange
- (f) Chicago Board of Options Exchange
- (g) Chicago Board of Trade

- (h) Chicago Mercantile Exchange
  - (i) Chicago Stock Exchange
  - (j) Euronext Amsterdam
  - (k) Euronext Brussels
  - (l) Euronext Paris S.A.
  - (m) Frankfurt Stock Exchange
  - (n) London International Financial Futures and Options Exchange
  - (o) London Stock Exchange
  - (p) Montreal Exchange
  - (q) New York Mercantile Exchange
  - (r) New York Stock Exchange
  - (s) New Zealand Exchange Limited
  - (t) Pacific Exchange
  - (u) Swiss Exchange
  - (v) The Stock Exchange of Hong Kong Limited
  - (w) Tokyo Stock Exchange
  - (x) Toronto Stock Exchange
  - (y) TSX Venture Exchange
- (f) **For all other securities** – 100% of market value.

**FORM 33-109F7**  
**REINSTATEMENT OF REGISTERED INDIVIDUALS AND PERMITTED**  
**INDIVIDUALS**  
**(sections 2.3 and 2.5(2))**

**GENERAL INSTRUCTIONS**

Complete and submit this form to the relevant regulator(s) or in Québec, the securities regulatory authority, or self-regulatory organization (SRO) if an individual has left a sponsoring firm and is seeking to reinstate their registration in the same category or reinstate their same status of permitted individual as before with a sponsoring firm. You only need to complete and submit one form regardless of the number of registration categories or permitted individual statuses you are seeking to be reinstated in.

An individual may reinstate their registration or permitted individual status by submitting this form. This form may only be used if all of the following apply:

1. this form is submitted on or before three months after the termination date of the individual's employment, partnership or agency relationship with the individual's former sponsoring firm,
2. there have been no changes to the information previously submitted in respect of Items 13 (Regulatory Disclosure), 14 (Criminal Disclosure), 15 (Civil Disclosure) and 16 (Financial Disclosure) of the individual's Form 33-109F4 since the individual left their former sponsoring firm, and
3. the individual's employment, partnership or agency relationship with their former sponsoring firm did not end because the individual was dismissed, or was asked by the firm to resign, following an allegation against the individual of criminal activity, a breach of securities legislation, or a breach of the rules of an SRO.

If you do not meet all of the above conditions then you must apply for reinstatement by completing on NRD a Form 33-109F4 by making the NRD submission entitled 'Reactivation of Registration'.

**Terms**

In this form, "you", "your" and "individual" means the individual who is seeking to reinstate their registration.

"former sponsoring firm" means the registered firm where you most recently carried out duties as a registered or permitted individual.

“major shareholder” and “shareholder” mean a shareholder who, in total, directly or indirectly owns voting securities carrying 10 per cent or more of the votes carried by all outstanding voting securities.

“new sponsoring firm” means the registered firm where you will begin carrying out duties as a registered or permitted individual when your registration or permitted individual status is reinstated.

Several terms used in this form are defined in the Form 33-109F4 that you submitted when you first became registered or elsewhere in the securities legislation of your province or territory. Please refer to those definitions.

### **How to submit this form**

#### ***NRD format***

Submit this form at the National Registration Database (NRD) website in NRD format at [www.nrd.ca](http://www.nrd.ca). If you have any questions, contact the compliance, registration or legal department of the new sponsoring firm or a legal adviser, or visit the NRD information website at [www.nrd-info.ca](http://www.nrd-info.ca).

#### ***Format, other than NRD format***

If you are relying on the temporary hardship exemption in section 5.1 of National Instrument 31-102 *National Registration Database*, you may submit this form in a format other than NRD format.

If you need more space, use a separate sheet of paper. Clearly identify the Item and question number. Complete and sign the form, and send it to the relevant regulator(s) or, in Québec, the securities regulatory authority, SRO (s) or similar authority. The number of originally signed copies of the form you are required to submit depends on the province or territory, and on the regulator, the securities regulatory authority or SRO.

To avoid delays in processing this form, be sure to answer all of the items that apply to you. If you have questions, contact the compliance, registration or legal department of the new sponsoring firm or a legal adviser, or visit the National Registration Database information website at [www.nrd-info.ca](http://www.nrd-info.ca).

**Item 1 Name**

1. **NRD number:**

2. **Legal name**

---

Last name                      First name                      Second name (N/A )                      Third name (N/A )

3. **Date of birth (YYYY/MM/DD):**

4. **Use of other names**

Are you currently using, or have you ever used, operated under, or carried on business under, a name other than the name(s) mentioned above (for example, trade names for sole proprietorships or team names)?

Yes       No

If “yes”, complete Schedule A.

**Item 2 Number of jurisdictions**

1. Are you seeking to reinstate your registration or permitted individual status in more than one jurisdiction of Canada?

Yes       No

2. Check each province or territory in which you are seeking reinstatement of registration or reinstatement as a permitted individual:

- All jurisdictions
- Alberta
- British Columbia
- Manitoba
- New Brunswick
- Newfoundland and Labrador

- Northwest Territories
- Nova Scotia
- Nunavut
- Ontario
- Prince Edward Island
- Québec
- Saskatchewan
- Yukon

**Item 3 Individual categories**

1. On Schedule B, check each category for which you are seeking to reinstate your registration or permitted individual status. If you are seeking reinstatement of status as a permitted individual, check each category that describes your position with your new sponsoring firm.

2. If you are seeking reinstatement as a representative of a mutual fund dealer or of a scholarship plan dealer in Québec, are you covered by your new sponsoring firm's professional liability insurance?

Yes  No

If "No", state:

The name of your insurer \_\_\_\_\_

Your policy number \_\_\_\_\_

**Item 4 Address and agent for service****1. Address for service**

You must have one address for service in each province or territory where you are submitting this form. A residential or business address is acceptable. A post office box is not acceptable. Complete Schedule C for each additional address for service you are providing.

Address for service:

\_\_\_\_\_  
(number, street, city, province or territory, postal code)

Telephone number \_\_\_\_\_ Fax number, if applicable \_\_\_\_\_

E-mail address, if available \_\_\_\_\_

## 2. Agent for service

If you have appointed an agent for service, provide the following information for the agent in each province or territory where you have an agent for service. The address of your agent for service must be the same as the address for service above. If your agent for service is not an individual, provide the name of your contact person.

Name of agent for service: \_\_\_\_\_

Contact person: \_\_\_\_\_  
Last name, First name

## Item 5 Location of employment

1. Provide the following information for your new sponsoring firm. If you will be working out of more than one location, provide the following information for the location out of which you will be doing most of your business.

Unique Identification Number (optional): \_\_\_\_\_

NRD location number: \_\_\_\_\_

Business address: \_\_\_\_\_  
(number, street, city, province, territory or state, country, postal code)

Telephone number: (\_\_\_\_) \_\_\_\_\_ Fax number: (\_\_\_\_) \_\_\_\_\_

2. If the new sponsoring firm has a foreign head office, and/or you are not a resident of Canada, provide the address for the location in which you will be conducting business.

Business address: \_\_\_\_\_  
(number, street, city, province, territory or state, country, postal code)

Telephone number: (\_\_\_\_) \_\_\_\_\_ Fax number: (\_\_\_\_) \_\_\_\_\_

[The following under #3 “Type of location”, #4 and #5 is for a Format other than NRD format only]

3. Type of location:

Head office                       Branch or Business Location                       Sub-branch

4. Name of branch manager: \_\_\_\_\_

5.  **Check here if the mailing address of the location is the same as the business address provided above. Otherwise, complete the following:**

Mailing address: \_\_\_\_\_  
(number, street, city, province, territory or state, country, postal code)

Date on which you will become authorized to act on behalf of the new sponsoring firm as a registered individual or permitted individual \_\_\_\_\_  
(YYYY/MM/DD)

#### **Item 6 Previous employment**

Provide the following information for your former sponsoring firm.

Name: \_\_\_\_\_

Date on which you were no longer authorized to act on behalf of your former sponsoring firm as a registered individual or permitted individual: \_\_\_\_\_  
(YYYY/MM/DD)

The reason why you left your former sponsoring firm:

\_\_\_\_\_

#### **Item 7 Current employment, other business activities, officer positions held and directorships**

Name of your new sponsoring firm: \_\_\_\_\_

Complete a separate Schedule D for each of your current business and employment activities, including employment and business activities with your new sponsoring firm and any employment and business activities outside your new sponsoring firm. Also include all business related officer or director positions and any other equivalent positions held, whether you receive compensation or not.



**Item 8 Ownership of securities in new sponsoring firm**

Are you a partner or major shareholder of your new sponsoring firm?

Yes  No

If “Yes”, complete Schedule E.

**Item 9 Confirm permanent record**

1. Check the appropriate box to indicate that, since leaving your former sponsoring firm, there has been a change to any information previously submitted for the items of your Form 33-109F4 that are listed below.

- Regulatory disclosure (Item 13)
- Criminal disclosure (Item 14)
- Civil disclosure (Item 15)
- Financial disclosure (Item 16)

2. Check the box below - ***I am eligible to file this Form 33-109F7, only*** if you satisfy both of the following conditions:

(a) there are no changes to any of the disclosure items under Item 9.1 above, and

(b) your employment, partnership or agency relationship with your former sponsoring firm did not end because you were asked by the firm to resign, or were dismissed, following an allegation against you of

- criminal activity,
- a breach of securities legislation, or
- a breach of the rules of an SRO.

If you do not meet the above conditions for selecting the box '*I am eligible to file this Form 33-109F7*', then you must apply for reinstatement by completing on NRD a Form 33-109F4 by making the NRD submission entitled '*Reactivation of Registration*'. If you are submitting a Form 33-109F4 in a format other than NRD format you must complete the entire form.

I am eligible to file this Form 33-109F7.

**Item 10 Acknowledgements, submission to jurisdiction and notice of collection and use of personal information**

By submitting this form, you:

- acknowledge that the submission to jurisdiction, consent to collection and use of personal information, and authorization in respect of SROs (to the extent applicable) that you provided in your Form 33-109F4 remain in effect and extend to this form
- consent to the collection and disclosure of your personal information by regulators and by your sponsoring firm, in each case, for registration and other related regulatory purposes.

If you have any questions about the collection and use of your personal information, contact the securities regulatory authority or applicable SRO in the relevant jurisdiction. See Schedule F for details. In Québec, you can also contact the Commission d'accès à l'information at 1-888-528-7741 or visit its website at [www.cai.gouv.qc.ca](http://www.cai.gouv.qc.ca).

You acknowledge and agree that if you are seeking reinstatement of your registration and it was subject to any undischarged terms and conditions when you left your former sponsoring firm, those terms and conditions will remain in effect at your new sponsoring firm.

**Item 11 Warning**

**It is an offence under securities legislation and/or derivatives legislation, including commodity futures legislation, to give false or misleading information on this form.**

**Item 12 Certification****1. Certification - NRD format:**

I confirm I have discussed the questions in this form with an officer, branch manager or supervisor of my sponsoring firm. To the best of my knowledge, the officer, branch manager or supervisor was satisfied that I fully understood the questions. I will limit my activities to those permitted by my category of registration.

I am making this submission as agent for the individual. By checking this box, I certify that the individual provided me with all of the information on this form.

**2. Certification - Format other than NRD format:****Individual**

By signing below, I certify to the regulator, or in Québec the securities regulatory authority, in each jurisdiction where I am submitting this form, either directly or through the principal regulator that:

- I have read the form and understand the questions, and
- all of the information provided on this form is true, and complete.

Signature of individual \_\_\_\_\_ Date signed \_\_\_\_\_  
(YYYY/MM/DD)

**Authorized partner or officer of the new sponsoring firm**

By signing below, I certify to the regulator, or in Québec the securities regulatory authority, in each jurisdiction where I am submitting this form for the individual that:

- the individual will be engaged by the new sponsoring firm as a registered individual or a permitted individual
- I have, or a branch manager or another officer or supervisor has, discussed the questions set out in this form with the individual and, to the best of my knowledge, the individual fully understands the questions, and

- the new sponsoring firm understands that if the individual's reinstatement of registration was subject to any undischarged terms and conditions when the individual left their former sponsoring firm, those terms and conditions remain in effect and agrees to assume any ongoing obligations that apply to the sponsoring firm in respect of the individual under those terms and conditions.

---

Name of firm

---

Name of authorized signing officer or partner

---

Title of authorized signing officer or partner

---

Signature of authorized signing officer or partner

---

Date signed (YYYY/MM/DD)

**SCHEDULE A****Use of other names (Item 1.4)****Item 1.4 Use of other names****Name 1:**

Name: \_\_\_\_\_

Provide the reasons for the use of this other name (for example, trade name or team name)?: \_\_\_\_\_

If this other name is or was used in connection with any sponsoring firm, did the sponsoring firm approve the use of the name?

Yes  No When did you use this name? From: \_\_\_\_\_ To: \_\_\_\_\_  
(YYYY/MM) (YYYY/MM)**Name 2:**

Name: \_\_\_\_\_

Provide the reasons for the use of this other name (for example, trade name or team name):

If this other name is or was used in connection with any sponsoring firm, did the sponsoring firm approve the use of the name?

Yes  No

When did you use this name? From: To:

\_\_\_\_\_  
(YYYY/MM)

\_\_\_\_\_  
(YYYY/MM)

**Name 3:**

Name: \_\_\_\_\_

Provide the reasons for the use of this other name (for example, trade name or team name):

If this other name is or was used in connection with any sponsoring firm, did the sponsoring firm approve the use of the name?

Yes  No

When did you use this name? From: To:

\_\_\_\_\_  
(YYYY/MM)

\_\_\_\_\_  
(YYYY/MM)

**SCHEDULE B****Individual Categories (Item 3)**

Check each category for which you are seeking reinstatement of registration, approval or permitted individual status

**Categories Common to all jurisdictions under securities legislation*****Firm categories [Format other than NRD format only]***

- Investment Dealer
- Mutual Fund Dealer
- Scholarship Plan Dealer
- Exempt Market Dealer
- Restricted Dealer
- Portfolio Manager
- Restricted Portfolio Manager
- Investment Fund Manager

***Individual categories and permitted activities***

- Dealing Representative
- Advising Representative
- Associate Advising Representative
- Ultimate Designated Person
- Chief Compliance Officer
- Officer – Specify title:
- Director
- Partner
- Shareholder
- Branch Manager (MFDA members only)
- IIROC approval only

**Investment Industry Regulatory Organization of Canada*****Approval categories***

- Executive
- Director (Industry)
- Director (Non-Industry)
- Supervisor
- Investor
- Registered Representative
- Investment Representative
- Trader

***Additional approval categories***

- Chief Compliance Officer
- Chief Financial Officer
- Ultimate Designated Person

***Products***

- Non-Trading
- Securities
- Options
- Futures Contracts and Futures Contract Options
- Mutual Funds only

***Customer type***

- Retail
- Institutional
- Not Applicable

***Portfolio management***

- Portfolio Management

**Categories under local commodity futures and derivatives legislation****Ontario*****Firm categories***

- Commodity Trading Adviser
- Commodity Trading Counsel
- Commodity Trading Manager
- Futures Commission Merchant

***Individual categories and permitted activities***

- Advising Representative
- Salesperson
- Branch Manager
- Officer – Specify title:
- Director
- Partner
- Shareholder
- IIROC approval only

**Manitoba*****Firm categories***

- Dealer (Merchant)
- Dealer (Futures Commission Merchant)



- Dealer (Floor Broker)
- Adviser
- Local

***Individual categories and permitted activities***

- Floor Trader
- Salesperson
- Branch Manager
- Adviser
- Officer – Specify title
- Director
- Partner
- Futures Contracts Portfolio Manager
- Associate Futures Contracts Portfolio Manager
- IIROC approval only
- Local

**Québec – activities relating to derivatives**

***For information purposes, indicate whether you will carry on activities as a representative of:***

- An Investment Dealer Acting as a Derivatives dealer
- A Portfolio Manager Acting as a Derivatives portfolio manager

**SCHEDULE C****Address and agent for service (Item 4)****Item 4.1 Address for service**

You must have one address for service in each province or territory in which you are now, or are seeking to become, a registered individual or permitted individual. A post office box is not an acceptable address for service.

Address for service:

\_\_\_\_\_

(number, street, city, province or territory, postal code)

Telephone number: ( ) \_\_\_\_\_ Fax number: ( ) \_\_\_\_\_

E-mail address: \_\_\_\_\_

**Item 4.2 Agent for service**

If you have appointed an agent for service, provide the following information for the agent. The address for service provided above must be the address of the agent named below.

Name of agent for service: \_\_\_\_\_

*(if applicable)*

Contact person:

\_\_\_\_\_

Last name, First name

**SCHEDULE D****Current employment, other business activities, officer positions held and directorships  
(Item 7)**

Complete a separate Schedule E for each of your current business and employment activities with your sponsoring firm and with all other organizations. This includes any business related officer or director positions held, or any other equivalent positions held, whether you receive compensation or not.

**1. Start date**

\_\_\_\_\_

(YYYY/MM/DD)

**2. Firm information**

Check here if this activity is employment with your sponsoring firm.

If the activity is with your sponsoring firm, you are not required to indicate the firm name and address information below:

Name of business or employer:

\_\_\_\_\_

Address of business or employer:

\_\_\_\_\_

(number, street, city, province, territory or state, country)

Name and title of your immediate supervisor: \_\_\_\_\_

**3. Description of duties**

Describe all employment and business activities related to this employer. Include the nature of the business and your duties, title or relationship with the business. If you are seeking registration that requires specific experience, include details with this firm such as level of responsibility, value of accounts under direct supervision, number of years of experience, and percentage of time spent on each activity.

\_\_\_\_\_

**4. Number of work hours per week**

How many hours per week do you devote to this business or employment?

\_\_\_\_\_

If this activity is employment with your sponsoring firm and you work less than 30 hours per week, explain why.

\_\_\_\_\_

**5. Conflict of Interest**

If you have more than one employer or are engaged in business related activities, disclose any potential for confusion by clients and any potential for conflicts of interest arising from your multiple employment or business related activities or proposed business related activities. Include whether or not any of your employers or organizations where you engage in business related activities are listed on an exchange. Confirm whether the firm has procedures for minimizing potential conflicts of interest and if so, confirm that you are aware of these procedures.

If you do not perceive any conflicts of interest arising from this employment, explain why.

\_\_\_\_\_

**SCHEDULE E****Ownership of securities and derivatives firms (Item 8)**

Firm name: \_\_\_\_\_

What is your relationship to the firm? Partner  Major shareholder 

What is the period of this relationship?

From: \_\_\_\_\_ To: \_\_\_\_\_ (if applicable)

\_\_\_\_\_  
(YYYY/MM) (YYYY/MM)

Provide the following information:

a) State the number, value, class and percentage of securities, or the amount of partnership interest you own or propose to acquire when you are reinstated or approved as a result of the review of this form. If acquiring shares when you are so approved or registered, state the source (for example, treasury shares, or if upon transfer, state name of transferor).

b) State the market value (approximate, if necessary) of any subordinated debentures or bonds of the firm to be held by you or any other subordinated loan to be made by you to the firm:

c) If another person or firm has provided you with funds to invest in the firm, provide the name of the person or firm and state the relationship between you and that person or firm:

d) Are the funds to be invested (or proposed to be invested) guaranteed directly or indirectly by any person or firm?

Yes  No 

If "Yes", provide the name of the person or firm and state the relationship between you and that person or firm:

e) Have you directly or indirectly given up any rights relating to these securities or this partnership interest, or do you, when you are registered or approved as a result of the review of this form, intend to give up any of these rights (including by hypothecation, pledging or depositing as collateral the securities or partnership interest with any firm or person)?

Yes  No

If “Yes”, provide the name of the person or firm, state the relationship between you and that person or firm and describe the rights that have been or will be given up:

---

f) Is a person other than you the beneficial owner of the shares, bonds, debentures, partnership units or notes held by you?

Yes  No

If “Yes”, complete (g), (h) and (i).

g) Name of beneficial owner:

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Last name	First name	Second name (if applicable)	Third name (if applicable)
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h) Residential address:

---

(number, street, city, province, territory or state, country, postal code)

i) Occupation: \_\_\_\_\_

**SCHEDULE F****Contact information for****Notice of collection and use of personal information****Alberta**

Alberta Securities Commission,  
4th Floor, 300 - 5th Avenue SW  
Calgary, AB T2P 3C4  
Attention: Information Officer  
Telephone: (403) 355-4151

**British Columbia**

British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC V7Y 1L2  
Attention: Freedom of Information Officer  
Telephone: (604) 899-6500 or (800) 373-6393 (in BC)

**Manitoba**

The Manitoba Securities Commission  
500 - 400 St. Mary Avenue  
Winnipeg, MB R3C 4K5  
Attention: Director of Registrations  
Telephone (204) 945-2548  
Fax (204) 945-0330

**New Brunswick**

New Brunswick Securities Commission  
Suite 300, 85 Charlotte Street  
Saint John, NB E2L 2J2  
Attention: Director, Regulatory Affairs  
Telephone: (506) 658-3060

**Newfoundland and Labrador**

Securities NL  
Financial Services Regulation Division  
Department of Government Services  
P.O. Box 8700, 2nd Floor, West Block  
Confederation Building  
St. John's, NL A1B 4J6  
Attention: Manager of Registrations  
Tel: (709) 729-5661

**Nunavut**

Legal Registries Division  
Department of Justice  
Government of Nunavut  
P.O. Box 1000 Station 570  
Iqaluit, NU X0A 0H0  
Attention: Deputy Registrar of Securities  
Telephone: (867) 975-6590

**Ontario**

Ontario Securities Commission  
Suite 1903, Box 55  
20 Queen Street West  
Toronto, ON M5H 3S8  
Attention: FOI Coordinator  
Telephone: (416) 593-8314

**Prince Edward Island**

Securities Registry  
Office of the Attorney General B Consumer,  
Corporate and  
Insurance Services Division  
P.O. Box 2000  
Charlottetown, PE C1A 7N8  
Attention: Deputy Registrar of Securities  
Telephone: (902) 368-6288

**Québec**

Autorité des marchés financiers  
800, square Victoria, 22e étage  
C.P. 246, tour de la Bourse  
Montréal (Québec) H4Z 1G3  
Attention: Responsable de l'accès à l'information  
Telephone: (514) 395-0337 or  
(877) 525-0337 (in Québec)

**Saskatchewan**

Saskatchewan Financial Services Commission  
Suite 601, 1919 Saskatchewan Drive  
Regina, SK S4P 4H2  
Attention: Director  
Telephone: (306) 787-5842

**Nova Scotia**

Nova Scotia Securities Commission  
2nd Floor, Joseph Howe Building  
1690 Hollis Street  
P.O. Box 458  
Halifax, NS B3J 2P8  
Attention: Deputy Director, Capital Markets  
Telephone: (902) 424-7768

**Northwest Territories**

Government of the Northwest Territories  
P.O. Box 1320  
Yellowknife, NWT X1A 2L9  
Attention: Deputy Superintendent of Securities  
Telephone: (867) 920-8984

**Yukon**

Yukon Securities Office  
Department of Community Services  
P.O. Box 2703 C-6  
Whitehorse, YT Y1A 2C6  
Attention: Superintendent of Securities  
Telephone: (867) 667-5225

**Self-regulatory organization**

Investment Industry Regulatory Organization of  
Canada  
121 King Street West, Suite 1600  
Toronto, Ontario M5H 3T9  
Attention: Privacy Officer  
Telephone: (416) 364-6133  
E-mail: PrivacyOfficer@iiroc.ca



**REGULATION TO AMEND REGULATION 45-102 RESPECTING RESALE OF SECURITIES\***

## Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (1), (2), (3), (4), (8), (11), (14) and (34); 2008, c. 24; s. 225, 2009, c. 25, s. 45)

**1.** Section 1.1 of Regulation 45-102 respecting Resale of Securities is amended by deleting, in the English text of subparagraph (B) of subparagraph (ii) of paragraph (c) of the definition of “private issuer”, the words “or companies”.

**2.** Section 2.1 of the Regulation is amended by deleting the words “and Yukon”.

**3.** Section 2.2. of the Regulation is amended by replacing “, Nova Scotia and Ontario” With the words “and Ontario”.

**4.** Section 2.5 of the Regulation is amended:

(1) in paragraph (2):

(a) by replacing subparagraph 3 with the following:

“3. If the distribution date is on or after March 30, 2004, or, in Québec, on or after September 14, 2005, and either of the following apply:

(i) if the issuer was a reporting issuer on the distribution date, the certificate representing the security, if any, carries a legend stating:

“Unless permitted under securities legislation, the holder of this security must not trade the security before [*insert the date that is 4 months and a day after the distribution date*]”;

(ii) if the issuer was not a reporting issuer on the distribution date, the certificate representing the security, if any, carries a legend stating:

“Unless permitted under securities legislation, the holder of this security must not trade the security before the date that is 4 months and a day after the later of (i) [*insert the distribution date*], and (ii) the date the issuer became a reporting issuer in any province or territory.”;

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\* Regulation 45-102 respecting Resale of Securities, approved by Ministerial Order No. 2005-21 dated August 12, 2005 (2005, G.O. 2, 3648; erratum, 2005, G.O. 2, 5115), has not been amended since its approval.

“3.1. If the security is entered into a direct registration or other electronic book-entry system, or if the purchaser did not directly receive a certificate representing the security, the purchaser received written notice containing the legend restriction notation set out in subparagraphs (i) or (ii) of item 3.”;

(b) by deleting, in the English text of subparagraph 6, the words “or company”;

(2) by replacing paragraph (3) with the following:

“(3) Items 3 and 3.1 of subsection (2) do not apply to a trade of an underlying security if the underlying security is issued at least four months after the later of

(a) the distribution date, and

(b) the date the issuer became a reporting issuer in any jurisdiction of Canada.”.

**5.** Section 2.8 of the Regulation is amended:

(1) by deleting, in the English text of subparagraph 4 of paragraph (2), the words “or company”;

(2) by replacing paragraphs (3) and (4) with the following:

“(3) The selling security holder, or the lender, pledgee, mortgagee or other encumbrancer if the distribution is for the purpose of liquidating a debt, under subsection (2) must

(a) complete and sign a Form 45-102F1 no earlier than one business day before the Form 45-102F1 is filed;

(b) file the completed and signed Form 45-102F1 on SEDAR at least seven days before the first trade of the securities that is part of the distribution; and

(c) file, within three days after the completion of any trade, an insider report prepared in accordance with either Form 55-102F2 or Form 55-102F6 under National Instrument 55-102 System for Electronic Disclosure by Insiders (SEDI), adopted by the *Commission des valeurs mobilières du Québec* pursuant to decision no. 2003-C-0069 dated March 3, 2003.

“(4) A Form 45-102F1 filed under subsection (3) expires on the earlier of

(a) thirty days after the date the Form 45-102F1 was filed, and

(b) the date the selling security holder, or the lender, pledgee, mortgagee or other encumbrancer, files the last of the insider reports reflecting the sale of all securities referred to in the Form 45-102F1.

“(5) A selling security holder, or the lender, pledgee, mortgagee or other encumbrancer must not file a new Form 45-102F1 in respect of a class of securities of a reporting issuer until the Form 45-102F1 in respect of that class of securities previously filed by that person has expired.”.

**6.** Section 2.9 of the Regulation is amended by replacing, wherever it appears in paragraph (1), the word “continuation” with the word “reorganization”.

**7.** Appendix A of the Regulation is amended:

(1) by replacing the paragraph opposite “Northwest Territories” with the following:

“Definition of “control person” in subsection 1(1) and paragraph (c) of the definition of “distribution” contained in subsection 1(1) of the Securities Act (R.S.N.W.T. 1988, c. S-5)”;

(2) by adding, at the end, the following:

“Yukon Definition of “control person” in subsection 1(1) and paragraph (c) of the definition of “distribution” contained in subsection 1(1) of the Securities Act (R.S.Y. 2002, c. 201)”.

**8.** Appendix B of the Regulation is amended by adding “New Brunswick” below “Manitoba”.

**9.** Appendix C of the Regulation is amended:

(1) by deleting “Nova Scotia” and “Subsections 77(5), 77(6), 77(7), 77(7A), 77(7B), 77(8), 77(9), 77(10)(a) and 77(11) of the Securities Act (Nova Scotia)”;

(2) by replacing the paragraph opposite “Ontario” with the following:

“Subsections 72(4), 72(5), 72(6) as it relates to clause 72(1)(r), and 72(7) of the Securities Act (Ontario), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force”.

**10.** Appendix D of the Regulation is amended:

(1) by replacing the text before the heading “Transitional Provisions” with the following:

“Except in Manitoba, the following exemptions from the prospectus requirement in Regulation 45-106 respecting Prospectus and Registration Exemptions:

- section 2.3 [*Accredited investor*];
- section 2.5 [*Family, friends and business associates*] (except in Ontario);
- section 2.7 [*Founder, control person and family*] (Ontario);
- section 2.8 [*Affiliates*];
- section 2.9 [*Offering memorandum*] (in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon);
- section 2.10 [*Minimum amount investment*];
- section 2.12 [*Asset acquisition*];
- section 2.13 [*Petroleum, natural gas and mining properties*];
- section 2.14 [*Securities for debt*];
- section 2.19 [*Additional investment in investment funds*];
- section 2.30 [*Isolated distribution by issuer*];
- section 2.31 [*Dividends and distributions*], if the security was acquired in the circumstances referred to in subsection 2.31(2) and that security was initially acquired by the issuer under
  - (a) one of the exemptions listed in this Appendix,
  - (b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of this Regulation, or
  - (c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.5 of Multilateral Instrument 45-102, Resale of Securities in effect on March 30, 2004, hereafter referred to as “MI 45-102”;
- section 2.40 [*RRSP/RRIF/TFSA*], if the security acquired under section 2.40 was initially acquired by an individual or an associate of the individual or a RRSP, RRIF, or TFSA established for or by that individual or under which that individual is a beneficiary under

- (a) one of the exemptions listed in this Appendix,
  - (b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of this Regulation, or
  - (c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.5 of MI 45-102;
    - section 2.42 [*Conversion, exchange or exercise*], if the security acquired in the circumstances referred to in paragraph 2.42(1)(a) was acquired in accordance with the terms and conditions of a previously issued security and that previously issued security was distributed under
      - (a) one of the exemptions listed in this Appendix,
      - (b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of this Regulation, or
      - (c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.5 of MI 45-102;
    - section 5.2 [*TSX Venture exchange offering*], if the security acquired under section 5.2 was acquired by
      - (a) a purchaser that, at the time the security was acquired, was an insider or promoter of the issuer of the security, the issuer's underwriter, or a member of the underwriter's "professional group" (as defined in Regulation 33-105 respecting Underwriting Conflicts approved by Ministerial Order no. 2005-14 dated August 2, 2005), or
      - (b) any other purchaser in excess of \$40,000 for the portion of the securities in excess of 40,000;
- as well as the following local exemptions from the prospectus requirement:
- section 3.1 of Alberta Securities Commission Rule 72-501 *Distributions to Purchasers Outside Alberta*;
  - clauses 77(1)(u) and (w) and subclauses 77(1)(ab)(ii) and (iii) of the *Securities Act* (Nova Scotia);

- an exemption from the prospectus requirement in a jurisdiction of Canada that specifies that the first trade is subject to section 2.5 of this Regulation.”;

(2) by replacing the heading “Transitional Provisions” with “Transitional and Other Provisions”;

(3) in Part 3 related to Ontario provisions:

(a) under the heading “Definitions”:

(i) by replacing paragraph (a) of the definition of “Type 1 trade” with the following:

“(a) clause 72(1)(a), (b), (c), (d), (l), (m), (p) or (q) of the Securities Act (Ontario), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force;”;

(ii) by adding the following definition after the definition of “(2005) OSC Rule 45-501”:

““2009 OSC Rule 45-501” means the Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions that came into force on the later of (a) September 28, 2009 and (b) the day on which sections 5 and 11, subsection 12(1) and section 13 of Schedule 26 of the Budget Measures Act, 2009 were proclaimed in force;”

(b) by replacing Parts (a) and (b) with the following:

**“(a) Securities Act (Ontario)**

Clauses 72(1)(a), (b), (c), (d), (l), (m), (p) and (q) of the Securities Act (Ontario) and subclause 72(1)(f)(iii) of the Securities Act (Ontario) if the right to purchase, convert or exchange was previously acquired under one of the above-listed exemptions under the Securities Act (Ontario), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force, or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102.

**“(b) 2005 OSC Rule 45-501 and 2009 OSC Rule 45-501**

Section 2.1 of the 2005 OSC Rule 45-501 and 2009 OSC Rule 45-501;

Section 2.2 of the 2005 OSC Rule 45-501 and 2009 OSC Rule 45-501.”;

(4) by adding, at the end, the following:

**“4. New Brunswick Provisions**

In this Appendix

“2004 NB LR 45-501” means the New Brunswick Securities Commission Local Rule 45-501 that came into force on September 29, 2004;

A. Subsections 2.3(3), 2.5(2), 2.6(7), 2.7(2), 2.8(2), 2.10(2), 2.11(2), 2.12(2) and 2.17(2) of 2004 NB LR 45-501

B. Subsection 2.41(2) of 2004 NB LR 45-501 (if the security acquired under section 2.4 was initially acquired by an individual or an associate of the individual or an RRSP or RRIF established for or by that individual or under which that individual is a beneficiary under

(a) one of the exemptions in NB LR 45-501 listed in paragraph A, or

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of Multilateral Instrument 45-102 Resale of Securities)

C. Subsection 2.43(3) (if the security acquired under paragraph 2.43(1)(a) was acquired in accordance with the terms and conditions of a previously issued security under

(a) one of the exemptions in 2005 NB LR 45-501 listed in paragraph A, or

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of Multilateral Instrument, 45-102 Resale of Securities)

D. Section 5.2 of 2004 NB LR 45-501”;

(5) by deleting, in the English text of the seventh, eighth, and twenty-first paragraphs of Part 1 under the heading “Transitional Provisions”, the words “or company”.

**II.** Appendix E of the Regulation is amended:

(1) by replacing the text before the heading “Transitional Provisions” with the following:

“Except in Manitoba, the following exemptions from the prospectus requirement in Regulation 45-106 respecting Prospectus and Registration Exemptions:

- section 2.1 [*Rights offering*];
- section 2.2 [*Reinvestment plan*];
- section 2.4 [*Private issuer*];
- section 2.11 [*Business combination and reorganization*];
- section 2.16 [*Take-over bid and issuer bid*];
- section 2.17 [*Offer to acquire to security holder outside local jurisdiction*];
- section 2.18 [*Investment fund reinvestment*];
- section 2.20 [*Private investment club*];
- section 2.21 [*Private investment fund - loan and trust pools*];
- section 2.24 [*Employee, executive officer, director and consultant*];
- section 2.26 [*Distributions among current or former employees, executive officers, directors or consultants of non-reporting issuer*];
- section 2.27 [*Permitted transferees*];
- section 2.31 [*Dividends and distributions*], if the security was acquired in the circumstances referred to in subsection 2.31(2), that security was initially acquired by the issuer under
  - (a) one of the exemptions listed in this Appendix,
  - (b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of this Regulation, or



(c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.6 of Multilateral Instrument 45-102, Resale of Securities in effect on March 30, 2004, hereafter referred to as “MI 45-102”;

- section 2.40 [*RRSP/RRIF/TFSA*], if the security acquired under section 2.40 was initially acquired by an individual or an associate of the individual or a RRSP, RRIF, or TFSA established for or by that individual or under which that individual is a beneficiary under

(a) one of the exemptions listed in this Appendix,

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of this Regulation, or

(c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.6 of MI 45-102;

- section 2.42 [*Conversion, exchange or exercise - security of own issue*], if the security acquired in the circumstances referred to in paragraph 2.42 (1)(a) was acquired in accordance with the terms and conditions of a previously issued security and that previously issued security was distributed under

(a) one of the exemptions listed in this Appendix,

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of this Regulation, or

(c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.6 of MI 45-102;

- section 2.42 [*Conversion, exchange or exercise - security of a reporting issuer*] for a security being traded in the circumstances referred to in clause (b) of subsection 2.42(1);

as well as the following local exemptions from the prospectus requirement:

- Alberta Securities Commission Rule 45-502 *Trade with RESP*, if not included in Appendix D;

- Nova Scotia Securities Commission Blanket Order No. 46;

- Prince Edward Island Local Rule 45-510 - *Exempt Distributions - Exemptions for Trades Pursuant to Take-over Bids and Issuer Bids*;

- an exemption from the prospectus requirement in a jurisdiction of Canada that specifies that the first trade is subject to section 2.6 of this Regulation.”;

(2) by replacing the heading “Transitional Provisions” with the heading “Transitional and Other Provisions”;

(3) in Part 3 related to Ontario provisions:

(a) under the heading “Definitions”:

(i) by replacing the definitions of “Type 1 trade” and “Type 2 trade” with the following:

““Type 1 trade” means, in Ontario, a distribution in a security under an exemption from the prospectus requirement in:

(a) clause 72(1)(a), (b), (c), (d), (l), (m), (p) or (q) of the Securities Act (Ontario), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force;

(b) section 2.4, 2.5 or 2.11 of the 1998 OSC Rule 45-501;

(c) section 2.3, 2.12, 2.13 or 2.14 of the 2001 OSC Rule 45-501; or

(d) section 2.3, 2.12, 2.13, 2.14 or 2.16 of the 2004 OSC Rule 45-501; and

““Type 2 trade” means, in Ontario, a distribution in a security under an exemption from the prospectus requirement in:

(a) clause 72(1)(f) of the Securities Act (Ontario), prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force, other than a distribution to an associated consultant or investor consultant as defined in OSC Rule 45-503 or a distribution to an associated consultant or investor relations person as defined in MI 45-105;

(b) clause 72(1)(h), (i), (j), (k) or (n) of the Securities Act (Ontario), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force; or

or (c) section 2.5, 2.8 or 2.15 of the 2001 OSC Rule 45-501;

and”; (d) section 2.5, 2.8 or 2.15 of the 2004 OSC Rule 45-501;

- (ii) by deleting the definition of “2005 OSC Rule 45-501”;
- (b) by replacing Part (a) with the following:

**“(a) Securities Act (Ontario)**

Clauses 72(1)(f), (i) if not included in Appendix F, (j), (k) and (n) of the Securities Act (Ontario), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force, except for a trade made under 72(1)(f)(iii) of the Securities Act (Ontario), prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force, that is:

- (i) included in Appendix D or F of this Regulation, or
- (ii) contemplated by section 6.5 of 2004 OSC Rule 45-501; and
- (iii) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102

Clause 72(1)(h) of the Securities Act (Ontario) except for a distribution under clause 72(1)(h) of the Securities Act (Ontario) of an underlying security that was distributed on conversion or exchange of a multiple convertible security, convertible security or exchangeable security acquired in a Type 1 trade, in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force.”;

- (4) by adding, at the end, the following:

**“4. New Brunswick Provisions**

In this Appendix

“2004 NB LR 45-501” means the New Brunswick Securities Commission Local Rule 45-501 that came into force on September 29, 2004;

A. Subsections 2.1(2), 2.2(3), 2.4(2), 2.9(2), 2.14(2), 2.16(3), 2.18(2), 2.19(2), 2.22(4), 2.25(3), 2.26(4), 2.29(3), 2.30(2) and 2.31(3) of 2004 NB LR 45-501

B. Subsection 2.41(2) of 2004 NB LR 45-501 (if the security acquired under section 2.4 was initially acquired by an individual or an associate of the individual or an RRSP or RRIF established for or by that individual or under which that individual is a beneficiary under

(a) one of the exemptions in NB LR 45-501 listed in paragraph A, or

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of Multilateral Instrument 45-102 Resale of Securities)

C. Subsection 2.43(3) (if the security acquired under paragraph 2.43(1)(a) was acquired in accordance with the terms and conditions of a previously issued security under

(a) one of the exemptions in 2005 NB LR 45-501 listed in paragraph A, or

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of Multilateral Instrument, 45-102 Resale of Securities)”;

(5) by deleting, in the English text of the fifth paragraph of Part 1 under the heading “Transitional Provisions”, the words “or company”.

**12.** Appendix F of the Regulation is replaced with the following:

**“APPENDIX F  
“UNDERWRITERS  
“(Section 2.13)**

Section 2.33 [Acting as underwriter] of Regulation 45-106 respecting Prospectus and Registration Exemptions and section 2.11 [Business combination and reorganization] or subsection 2.42 (1) [Conversion, exchange or exercise] of Regulation 45-106, if the original security was acquired under section 2.33 of Regulation 45-106 or one of the underwriter exemptions in the transitional provisions listed below

**“Transitional Provisions:**

Except in New Brunswick, an exemption from the prospectus requirement listed in Appendix F of MI 45-102 in effect on March 30, 2004. Except in New Brunswick, exemptions listed in Appendix F of MI 45-102 on March 30, 2004 were:

- Section 74(2)(15) of the Securities Act (British Columbia) and section 74(2)(8) or 74(2)(11)(iii) of the Securities Act (British Columbia) if the original security was acquired under section 74(2)(15) of the Securities Act (British Columbia);

- Clause 73(1)(r) of the Securities Act (Newfoundland and Labrador) and section 73(1)(i) or 73(1)(f)(iii) of the Securities Act (Newfoundland and Labrador) if the original security was acquired under section 73(1)(r) of the Securities Act (Newfoundland and Labrador);

- Paragraph 3(v) of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories) and paragraph 3(g) or subparagraph 3(e)(iii) of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories) if the original security was acquired under paragraph 3(v) of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories);

- Clause 77(1)(r) of the Securities Act (Nova Scotia) and clause 77(1)(i) or 77(1)(f)(iii) of the Securities Act (Nova Scotia) or Blanket Order No. 38 or 45-503 if the original security was acquired under clause 77(1)(r) of the Securities Act (Nova Scotia);

- Paragraph 3(v) of Blanket Order No. 1 of the Registrar of Securities (Nunavut) and paragraph 3(g) or subparagraph 3(e)(iii) of Blanket Order No. 1 of the Registrar of Securities (Nunavut) if the original security was acquired under paragraph 3(v) of Blanket Order No. 1 of the Registrar of Securities (Nunavut);

- Clause 72(1)(f)(iii) of the Securities Act (Ontario) if the original security was acquired under clause 72(1)(r) of the Securities Act (Ontario), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force;

- Clause 72(1)(i) of the Securities Act (Ontario) if the original security was acquired under clause 72(1)(r) of the Securities Act (Ontario), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force,;

- Clause 72(1)(r) of the Securities Act (Ontario), prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force;

- Section 2.1 of Prince Edward Island Rule 45-509 and subclause 13(1)(e) (iii) or clause 13(1)(f) of the Securities Act (Prince Edward Island) or section 1.1 of Prince Edward Island Rule 45-502 if the original security was acquired under section 2.1 of Prince Edward Island Rule 45-509;

- Section 55 of the Securities Act (Québec) as it read prior to its repeal by section 8 of An Act to amend the Securities Act and other legislative provisions; and
- Clause 81(1)(u) of The Securities Act, 1988 (Saskatchewan) and clause 81(1)(i) or subclause 81(1)(f)(iii) of The Securities Act, 1988 (Saskatchewan) if the original security was acquired under clause 81(1)(u) of The Securities Act, 1988 (Saskatchewan).

**“New Brunswick Provisions:**

In New Brunswick, an exemption from the prospectus requirement listed in New Brunswick Securities Commission Local Rule 45-501 in effect on September 29, 2004 (2004 NB LR 45-501).

In New Brunswick, the exemptions listed in 2004 NB LR 45-501 were:

- Subsection 2.33(2); and
- Subsection 2.43(3) if the original security was acquired under section 2.09.”.

**13.** Form 45-102F1 of the Regulation is amended by replacing the text under the heading “INSTRUCTION” with the following:

“File this form electronically through SEDAR with the securities regulatory authority or regulator in each jurisdiction where you sell securities and with the Canadian exchange on which the securities are listed. If the securities are being sold on an exchange, the form should be filed in every jurisdiction across Canada.

**Notice to selling security holders - collection and use of personal information**

The personal information required in this form is collected for and used by the listed securities regulatory authorities or regulators to administer and enforce securities legislation in their jurisdictions. This form is publicly available by authority of Regulation 45-102 and the securities legislation in each of the jurisdictions. The personal information collected will not be used or disclosed other than for the stated purposes without first obtaining your consent. Corporate filers should seek the consent of any individuals whose personal information appears in this form before filing this form.

If you have questions about the collection and use of your personal information, or the personal information of your authorized signatory, contact any of the securities regulatory authorities or regulators listed below.

**British Columbia Securities Commission**

P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC V7Y 1L2  
Attention: Assistant Manager, Financial Reporting  
Telephone: (604) 899-6805 or (800) 373-6393 (in B.C.)  
Facsimile: (604) 899-6506

**Alberta Securities Commission**

4th Floor, 300 - 5th Avenue SW  
Calgary, AB T2P 3C4  
Attention: Information Officer  
Telephone: (403) 297-6454  
Facsimile: (403) 297-6156

**Saskatchewan Financial Services Commission  
Securities Division**

601 - 1919 Saskatchewan Drive  
Regina, SK S4P 4H2  
Attention: Deputy Director, Legal/Registration  
Telephone: (306) 787-5879  
Facsimile: (306) 787-5899

**Ontario Securities Commission**

Suite 1903, Box 55  
20 Queen Street West  
Toronto, ON M5H 3S8  
Attention: Administrative Support Clerk  
Telephone: (416) 593-3684  
Toll free in Canada: 1-877-785-1555  
Facsimile: (416) 593-8122

**Autorité des marchés financiers**

Tour de la Bourse  
800 square Victoria  
C.P. 246, 22e étage  
Montréal, Québec H4Z 1G3  
Attention: Responsable de l'accès à l'information  
Telephone: (514) 395-0337  
Toll free: 1-877-525-0337  
Facsimile: (514) 873-6155 (For filing purposes only)  
Facsimile: (514) 864-6381 (For privacy requests only)  
[www.lautorite.qc.ca](http://www.lautorite.qc.ca)

**New Brunswick Securities Commission**

85 Charlotte Street, Suite 300 Saint John, New Brunswick E2L 2J2  
Telephone: (506) 658-3060  
Toll Free in New Brunswick 1-866-933-2222  
Facsimile: (506) 658-3059

**Nova Scotia Securities Commission**

2nd Floor, Joseph Howe Building  
1690 Hollis Street  
Halifax, NS B3J 3J9  
Attention: Corporate Finance  
Telephone: (902) 424-7768  
Facsimile: (902) 424-4625

**Prince Edward Island Securities Office**

95 Rochford Street, P.O. Box 2000  
Charlottetown, Prince Edward Island C1A 7N8  
Telephone: (902) 368-4569  
Facsimile: (902) 368-5283

**Securities Commission Of Newfoundland And Labrador**

P.O. Box 8700  
2nd Floor, West Block  
Confederation Building  
75 O'Leary Avenue  
St. John's, NFLD A1B 4J6  
Attention: Director of Securities  
Telephone: (709) 729-4189  
Facsimile: (709) 729-6187

**Government of Yukon**

Department of Community Services  
Law Centre, 3rd Floor  
2130 Second Avenue  
Whitehorse, YT Y1A 5H6  
Telephone: (867) 667-5314  
Facsimile: (867) 393-6251



**Government of the Northwest Territories**

Office of the Superintendent of Securities  
Deputy Superintendent, Legal & Enforcement  
PO Box 1320  
Yellowknife, NT X1A 2L9  
Tel: (867) 920-8984  
Fax: (867) 873-0243

**Department Of Justice, Nunavut****Legal Registries Division**

P.O. Box 1000 - Station 570  
1st Floor, Brown Building  
Iqaluit, NT X0A 0H0  
Attention: Director, Legal Registries Division  
Telephone: (867) 975-6190  
Facsimile: (867) 975-6194”.

**14.** The Regulation is amended by deleting the words “or company”, wherever they appear in the English text, and replacing the words “de la société visée” by “de l’émetteur visé”, wherever they appear in the French text.

**15.** Except in Ontario, this Regulation comes into force on September 28, 2009.

**16.** In Ontario, this Regulation comes into force on the later of the following:

(1) September 28, 2009;

(2) the day on which sections 5 and 11, subsection 1 of section 12, and section 13 of Schedule 26 of the Budget Measures Act, 2009 are proclaimed in force.

## **REGULATION 45-106 RESPECTING PROSPECTUS AND REGISTRATION EXEMPTIONS**

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (1), (3), (4), (7), (8), (10), (11), (11.1), (12), (14) and (34); 2008, c. 24; s. 225, 2009, c. 25, s. 45)

### **PART 1 DEFINITIONS AND INTERPRETATION**

#### **1.1. Definitions**

In this Regulation

“accredited investor” means

- (a) a Canadian financial institution, or a Schedule III bank;
- (b) the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Statutes of Canada, 1995, c. 28);
- (c) a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;
- (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the Securities Act (R.S.O. 1990, c. S. 5) of Ontario or the Securities Act (R.S.N.L. 1990, c. S-13) of Newfoundland and Labrador;
- (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);
- (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;
- (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec;
- (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;

(i) a pension fund that is regulated by the Office of the Superintendent of Financial Institutions (Canada), a pension commission or similar regulatory authority of a jurisdiction of Canada;

(j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1 000 000;

(k) an individual whose net income before taxes exceeded \$200 000 in each of the 2 most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300 000 in each of the 2 most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;

(l) an individual who, either alone or with a spouse, has net assets of at least \$5 000 000;

(m) a person, other than an individual or investment fund, that has net assets of at least \$5 000 000 as shown on its most recently prepared financial statements;

(n) an investment fund that distributes or has distributed its securities only to

(i) a person that is or was an accredited investor at the time of the distribution;

(ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 [Minimum amount investment], or 2.19 [Additional investment in investment funds], or

(iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 [*Investment fund reinvestment*];

(o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt;

(p) a trust company or trust corporation registered or authorized to carry on business under the Trust and Loan Companies Act (Statutes of Canada, 1991, c. 45) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be;

(q) a person acting on behalf of a fully managed account managed by that person, if that person

(i) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and

(ii) in Ontario, is purchasing a security that is not a security of an investment fund;

(r) a registered charity under the Income Tax Act (R.S.C. 1985, c. 1 (5<sup>th</sup> Supp.)) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;

(s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function;

(t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;

(u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser, or

(v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor;

“AIF” means

(a) an AIF as defined in Regulation 51-102 respecting Continuous Obligations, approved by Ministerial Order No. 2005. 2005-03 dated May 19, 2005;

(b) a prospectus filed in a jurisdiction, other than a prospectus filed under a CPC instrument, if the issuer has not filed or been required to file an AIF or annual financial statements under Regulation 51-102 respecting Continuous Disclosure Obligations, or

(c) a QT circular if the issuer has not filed or been required to file annual financial statements under Regulation 51-102 respecting Continuous Disclosure Obligations subsequent to filing a QT circular;

“approved credit rating” has the same meaning as in Regulation 81-102 Mutual Funds, adopted pursuant to decision No. 2001-C-0209 dated May 22, 2001;

“approved credit rating organization” has the same meaning as in Regulation 81-102 respecting Mutual Funds;

“bank” means a bank named in Schedule I or II of the Bank Act (Statutes of Canada, 1991, c. 46);

“Canadian financial institution” means

(a) an association governed by the Cooperative Credit Associations Act (Statutes of Canada, 1991, c. 48) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or

(b) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

“CPC instrument” means a rule, regulation or policy of the TSX Venture Exchange Inc. that applies only to capital pool companies, and, in Quebec, includes Policy Statement 41-601Q, Capital Pool Companies adopted pursuant to decision No. 2002-C-0408 dated October 29, 2002;

“debt security” means any bond, debenture, note or similar instrument representing indebtedness, whether secured or unsecured;

“director” means

(a) a member of the board of directors of a company or an individual who performs similar functions for a company, and

(b) with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company;

“eligibility adviser” means

(a) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed, and

(b) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not

(i) have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders, or control persons, and

(ii) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;

“eligible investor” means

(a) a person whose

(i) net assets, alone or with a spouse, in the case of an individual, exceed \$400 000,

(ii) net income before taxes exceeded \$75 000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year, or

(iii) net income before taxes, alone or with a spouse, in the case of an individual, exceeded \$125 000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year,

(b) a person of which a majority of the voting securities are beneficially owned by eligible investors or a majority of the directors are eligible investors,

(c) a general partnership of which all of the partners are eligible investors,

(d) a limited partnership of which the majority of the general partners are eligible investors,

(e) a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are eligible investors,

(f) an accredited investor,

(g) a person described in section 2.5 [Family, friends and business associates],  
or

(h) a person that has obtained advice regarding the suitability of the investment and, if the person is resident in a jurisdiction of Canada, that advice has been obtained from an eligibility adviser;

“executive officer” means, for an issuer, an individual who is

- (a) a chair, vice-chair or president,
- (b) a vice-president in charge of a principal business unit, division or function including sales, finance or production, or
- (c) performing a policy-making function in respect of the issuer, other than the individuals referred to in subparagraphs (a) to (c);

“financial assets” means

- (a) cash,
- (b) securities, or
- (c) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

“founder” means, in respect of an issuer, a person who,

- (a) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
- (b) at the time of the distribution or trade is actively involved in the business of the issuer;

“fully managed account” means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction;

“investment fund” has the same meaning as in Regulation 81-106 respecting Investment Fund Continuous Disclosure, approved by Ministerial Order No. 2005-05 dated May 19, 2005;

“marketplace” has the same meaning as in National Instrument 21-101, Marketplace Operation, adopted pursuant to decision No. 2001-C-0409 dated August 28, 2001;

“MD&A” has the same meaning as in Regulation 51-102 respecting Continuous Disclosure Obligations;

“non-redeemable investment fund” has the same meaning as in Regulation 81-106 respecting Investment Fund Continuous Disclosure;

“QT circular” means an information circular or filing statement in respect of a qualifying transaction for a capital pool company filed under a CPC instrument;

“qualifying issuer” means a reporting issuer in a jurisdiction of Canada that

- (a) is a SEDAR filer,
- (b) has filed all documents required to be filed under the securities legislation of that jurisdiction, and
- (c) if not required to file an AIF, has filed in the jurisdiction,
  - (i) an AIF for its most recently completed financial year for which annual statements are required to be filed, and
  - (ii) copies of all material incorporated by reference in the AIF not previously filed;

“related liabilities” means

- (a) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or
- (b) liabilities that are secured by financial assets;

“RRIF” means a registered retirement income fund as defined in the Income Tax Act;

“RRSP” means a registered retirement savings plan as defined in the Income Tax Act;

“Schedule III bank” means an authorized foreign bank named in Schedule III of the Bank Act;

“SEDAR filer” means an issuer that is an electronic filer under Regulation 13-101 respecting the System for Electronic Document Analysis and Retrieval (SEDAR), adopted pursuant to decision No. 2001-C-0272 dated June 12, 2001;



“self-directed RESP” means an educational savings plan registered under the Income Tax Act

(a) that is structured so that a contribution by a subscriber to the plan is deposited directly into an account in the name of the subscriber, and

(b) under which the subscriber maintains control and direction over the plan to direct how the assets of the plan are to be held, invested or reinvested subject to compliance with the Income Tax Act;

“spouse” means, an individual who,

(a) is married to another individual and is not living separate and apart within the meaning of the Divorce Act (R.S.C. (1985), c. 3 (2nd Supp.)), from the other individual,

(b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or

(c) in Alberta, is an individual referred to in paragraph (a) or (b), or is an adult interdependent partner within the meaning of the Adult Interdependent Relationships Act (S.A. 2002, c. A-4.5);

“subsidiary” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary;

“TFSA” means a tax-free savings account as described in the Income Tax Act.

### **Interpretation of indirect interest**

**1.2.** For the purposes of paragraph 1.1(t), in British Columbia, an indirect interest means an economic interest in the person referred to in that paragraph.

### **1.3. Affiliate**

For the purpose of this Regulation, an issuer is an affiliate of another issuer if

(a) one of them is the subsidiary of the other, or

(b) each of them is controlled by the same person.

#### **1.4. Control**

For the purpose of this Regulation, except in Parts 2 and 3, Division 4, a person (first person) is considered to control another person (second person) if

(a) the first person beneficially owns or directly or indirectly exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation,

(b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or

(c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

#### **1.5. Registration requirement**

(1) An exemption in this Regulation from the dealer registration requirement, or from the prospectus requirement, that refers to a registered dealer is only available for a trade in a security if the dealer is registered in a category that permits the trade described in the exemption.

(2) In this Regulation, an exemption from the dealer registration requirement is an exemption from the underwriter registration requirement.

#### **1.6. Definition of distribution – Manitoba**

For the purpose of this Regulation, in Manitoba, “distribution” means a primary distribution to the public.

#### **1.7. Definition of trade – Québec**

For the purpose of this Regulation, in Québec, “trade” refers to any of the following activities:

(a) the activities described in the definition of “dealer” in section 5 of the Securities Act (R.S.Q., c. V-1.1), including the following activities:

(i) the sale or disposition of a security by onerous title, whether the terms of payment be on margin, installment or otherwise, but does not include a transfer or the giving in guarantee of securities in connection with a debt or the purchase of a security, except as provided in paragraph (b);

- (ii) participation as a trader in any transaction in a security through the facilities of an exchange or a quotation and trade reporting system;
  - (iii) the receipt by a registrant of an order to buy or sell a security;
- (b) a transfer or the giving in guarantee of securities of an issuer from the holdings of a control person in connection with a debt.

## **PART 2 PROSPECTUS EXEMPTIONS**

### **Division 1 Capital Raising Exemptions**

#### **2.1. Rights offering**

The prospectus requirement does not apply to a distribution by an issuer of a right granted by the issuer to purchase a security of its own issue to a security holder of the issuer if

(a) the issuer has given the regulator or, in Québec, the securities regulatory authority, prior written notice stating the date, amount, nature and conditions of the distribution, including the approximate net proceeds to be derived by the issuer on the basis of the additional securities being fully taken up,

(b) the regulator or, in Québec, the securities regulatory authority, has not objected in writing to the distribution within 10 days of receipt of the notice referred to in paragraph (a) or, if the regulator or securities regulatory authority objects to the distribution, the issuer has delivered to the regulator or securities regulatory authority information relating to the securities that is satisfactory to and accepted by the regulator or securities regulatory authority, and

(c) the issuer has complied with the applicable requirements of Regulation 45-101 respecting Rights Offerings, adopted pursuant to decision No. 2001-C- 0247 dated June 12, 2001.

#### **2.2. Reinvestment plan**

(1) The prospectus requirement does not apply to the following distributions by an issuer, or by a trustee, custodian or administrator acting for or on behalf of the issuer, to a security holder of the issuer if the distributions are permitted by a plan of the issuer:

(a) a distribution of a security of the issuer's own issue if a dividend or distribution out of earnings, surplus, capital or other sources payable in respect of the issuer's securities is applied to the purchase of the security, and

(b) a distribution of a security of the issuer's own issue if the security holder makes an optional cash payment to purchase the security of the issuer that trades on a marketplace.

(2) Subsection (1) does not apply unless the aggregate number of securities issued under the optional cash payment referred to in subsection (1)(b) does not exceed, in the financial year of the issuer during which the distribution takes place, 2% of the issued and outstanding securities of the class to which the plan relates as at the beginning of the financial year.

(3) A plan that permits a distribution described in subsection (1)(a) or (b) must be available to every security holder in Canada to which the dividend or distribution out of earnings, surplus, capital or other sources is available.

(4) Subsection (1) does not apply to a distribution of a security of an investment fund.

(5) If the security distributed under a plan described in subsection (1) is of a different class or series than the class or series of the security to which the dividend or distribution is attributable, the issuer or the trustee, custodian or administrator must have provided to each participant that is eligible to receive a security under the plan either a description of the material attributes and characteristics of the security distributed under the plan or notice of a source from which the participant can obtain the information without charge.

### **2.3. Accredited investor**

(1) The prospectus requirement does not apply to a distribution of a security if the purchaser purchases the security as principal and is an accredited investor.

(2) For the purpose of this section, a trust company or trust corporation described in paragraph (p) of the definition of "accredited investor" in section 1.1 [*Definitions*] is deemed to be purchasing as principal.

(3) Subsection (2) does not apply to a trust company or trust corporation registered under the laws of Prince Edward Island that is not registered or authorized under the Trust and Loan Companies Act or under comparable legislation in another jurisdiction of Canada.

(4) For the purpose of this section, a person described in paragraph (q) of the definition of "accredited investor" in section 1.1 [*Definitions*] is deemed to be purchasing as principal.

(5) This section does not apply to a distribution of a security to a person if the person was created, or is used, solely to purchase or hold securities as an accredited investor described in paragraph (m) of the definition of "accredited investor" in section 1.1 [*Definitions*].

## 2.4. Private issuer

(1) In this section,

“private issuer” means an issuer

(a) that is not a reporting issuer or an investment fund,

(b) the securities of which, other than non-convertible debt securities,

(i) are subject to restrictions on transfer that are contained in the issuer’s constating documents or security holders’ agreements, and

(ii) are beneficially owned by not more than 50 persons, not including employees and former employees of the issuer or its affiliates, provided that each person is counted as one beneficial owner unless the person is created or used solely to purchase or hold securities of the issuer in which case each beneficial owner or each beneficiary of the person, as the case may be, must be counted as a separate beneficial owner, and

(c) that

(i) has distributed its securities only to persons described in subsection (2), or

(ii) has completed a transaction and immediately following the completion of the transaction, its securities were beneficially owned only by persons described in subsection (2) and since the completion of the transaction has distributed its securities only to persons described in subsection (2).

(2) The prospectus requirement does not apply to a distribution of a security of a private issuer to a person who purchases the security as principal and is

(a) a director, officer, employee, founder or control person of the issuer,

(b) a director, officer or employee of an affiliate of the issuer,

(c) a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer, founder or control person of the issuer,

(d) a parent, grandparent, brother, sister, child or grandchild of the spouse of a director, executive officer, founder or control person of the issuer,

(e) a close personal friend of a director, executive officer, founder or control person of the issuer,

- (f) a close business associate of a director, executive officer, founder or control person of the issuer,
- (g) a spouse, parent, grandparent, brother, sister, child or grandchild of the selling security holder or of the selling security holder's spouse,
- (h) a security holder of the issuer,
- (i) an accredited investor,
- (j) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (a) to (i),
- (k) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (a) to (i), or
- (l) a person that is not the public.

(3) Except for a distribution to an accredited investor, no commission or finder's fee may be paid to any director, officer, founder or control person of an issuer in connection with a distribution under subsection (2).

## **2.5. Family, friends and business associates**

- (1) Except in Ontario, the prospectus requirement does not apply to a distribution of a security to a person who purchases the security as principal and is
- (a) a director, executive officer or control person of the issuer, or of an affiliate of the issuer,
  - (b) a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer or control person of the issuer, or of an affiliate of the issuer,
  - (c) a parent, grandparent, brother, sister, child or grandchild of the spouse of a director, executive officer or control person of the issuer or of an affiliate of the issuer,
  - (d) a close personal friend of a director, executive officer or control person of the issuer, or of an affiliate of the issuer,
  - (e) a close business associate of a director, executive officer or control person of the issuer, or of an affiliate of the issuer,
  - (f) a founder of the issuer or a spouse, parent, grandparent, brother, sister, child, grandchild, close personal friend or close business associate of a founder of the issuer,

(g) a parent, grandparent, brother, sister, child or grandchild of a spouse of a founder of the issuer,

(h) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (a) to (g), or

(i) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (a) to (g).

(2) No commission or finder's fee may be paid to any director, officer, founder, or control person of an issuer or an affiliate of the issuer in connection with a distribution under subsection (1).

## **2.6. Family, friends and business associates – Saskatchewan**

(1) In Saskatchewan, section 2.5 [*Family, friends and business associates*] does not apply unless the person making the distribution obtains a signed risk acknowledgement from the purchaser in the required form for a distribution to

(a) a person described in section 2.5(1) (d) or (e) [*Family, friends and business associates*],

(b) a close personal friend or close business associate of a founder of the issuer, or

(c) a person described in section 2.5(1)(h) or (i) [*Family, friends and business associates*] if the distribution is based in whole or in part on a close personal friendship or close business association.

(2) The person making the distribution must retain the required form referred to in subsection (1) for 8 years after the distribution.

## **2.7. Founder, control person and family – Ontario**

In Ontario, the prospectus requirement does not apply to a distribution to a person who purchases the security as principal and is

(a) a founder of the issuer,

(b) an affiliate of a founder of the issuer,

(c) a spouse, parent, brother, sister, grandparent, grandchild or child of an executive officer, director or founder of the issuer, or

- (d) a person that is a control person of the issuer.

## 2.8. Affiliates

The prospectus requirement does not apply to a distribution by an issuer of a security of its own issue to an affiliate of the issuer that is purchasing as principal.

## 2.9. Offering memorandum

(1) In British Columbia, New Brunswick, Nova Scotia and Newfoundland and Labrador, the prospectus requirement does not apply to a distribution by an issuer of a security of its own issue to a purchaser if

- (a) the purchaser purchases the security as principal, and

(b) at the same time or before the purchaser signs the agreement to purchase the security, the issuer

(i) delivers an offering memorandum to the purchaser in compliance with subsections (5) to (13), and

(ii) obtains a signed risk acknowledgement from the purchaser in compliance with subsection (15).

(2) In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon, the prospectus requirement does not apply to a distribution by an issuer of a security of its own issue to a purchaser if

- (a) the purchaser purchases the security as principal,

(b) the purchaser is an eligible investor or the acquisition cost to the purchaser does not exceed \$10 000,

(c) at the same time or before the purchaser signs the agreement to purchase the security, the issuer

(i) delivers an offering memorandum to the purchaser in compliance with subsections (5) to (13), and

(ii) obtains a signed risk acknowledgement from the purchaser in compliance with subsection (15),

and



(d) if the issuer is an investment fund, the investment fund is

- (i) a non-redeemable investment fund, or
- (ii) a mutual fund that is a reporting issuer.

(3) In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon, this section does not apply to a distribution of a security to a person described in paragraph (a) of the definition of "eligible investor" in section 1.1 [Definitions] if that person was created, or is used, solely to purchase or hold securities in reliance on the exemption from the prospectus requirement set out in subsection (2).

(4) No commission or finder's fee may be paid to any person, other than a registered dealer, in connection with a distribution to a purchaser in the Northwest Territories, Nunavut, Saskatchewan and Yukon under subsection (2).

(5) An offering memorandum delivered under this section must be in the required form.

(6) If the securities legislation where the purchaser is resident does not provide a comparable right, an offering memorandum delivered under this section must provide the purchaser with a contractual right to cancel the agreement to purchase the security by delivering a notice to the issuer not later than midnight on the 2<sup>nd</sup> business day after the purchaser signs the agreement to purchase the security.

(7) If the securities legislation where the purchaser is resident does not provide statutory rights of action in the event of a misrepresentation in an offering memorandum delivered under this section, the offering memorandum must contain a contractual right of action against the issuer for rescission or damages that

(a) is available to the purchaser if the offering memorandum, or any information or documents incorporated or deemed to be incorporated by reference into the offering memorandum, contains a misrepresentation, without regard to whether the purchaser relied on the misrepresentation,

(b) is enforceable by the purchaser delivering a notice to the issuer

(i) in the case of an action for rescission, within 180 days after the purchaser signs the agreement to purchase the security, or

(ii) in the case of an action for damages, before the earlier of

A) 180 days after the purchaser first has knowledge of the facts giving rise to the cause of action, or

B) 3 years after the date the purchaser signs the agreement to purchase the security,

(c) is subject to the defence that the purchaser had knowledge of the misrepresentation,

(d) in the case of an action for damages, provides that the amount recoverable

(i) must not exceed the price at which the security was offered, and

(ii) does not include all or any part of the damages that the issuer proves does not represent the depreciation in value of the security resulting from the misrepresentation, and

(e) is in addition to, and does not detract from, any other right of the purchaser.

(8) An offering memorandum delivered under this section must contain a certificate that states the following:

“This offering memorandum does not contain a misrepresentation.”

(9) If the issuer is a company, a certificate under subsection (8) must be signed

(a) by the issuer’s chief executive officer and chief financial officer or, if the issuer does not have a chief executive officer or chief financial officer, an individual acting in that capacity,

(b) on behalf of the directors of the issuer, by

(i) any 2 directors who are authorized to sign, other than the persons referred to in paragraph (a), or

(ii) all the directors of the issuer, and

(c) by each promoter of the issuer.

(10) If the issuer is a trust, a certificate under subsection (8) must be signed by

(a) the individuals who perform functions for the issuer similar to those performed by the chief executive officer and the chief financial officer of a company, and

(b) each trustee and the manager of the issuer.

(10.1) If a trustee or the manager that is signing the certificate of the issuer is

- (a) an individual, the individual must sign the certificate,
- (b) a company, the certificate must be signed
  - (i) by the chief executive officer and the chief financial officer of the trustee or the manager, and
  - (ii) on behalf of the board of directors of the trustee or the manager, by
    - (A) any two directors of the trustee or the manager, other than the persons referred to in subparagraph (i), or
    - (B) all of the directors of the trustee or the manager,
- (c) a limited partnership, the certificate must be signed by each general partner of the limited partnership as described in subsection (11.1) in relation to an issuer that is a limited partnership, or
- (d) not referred to in paragraphs (a), (b) or (c), the certificate may be signed by any person with authority to act on behalf of the trustee or the manager.

(10.2) Despite subsections (10) and (10.1), if the issuer is an investment fund and the declaration of trust, trust indenture or trust agreement establishing the investment fund delegates the authority to do so, or otherwise authorizes an individual or company to do so, the certificate may be signed by the individual or company to whom the authority is delegated or that is authorized to sign the certificate.

(10.3) Despite subsections (10) and (10.1), if the trustees of an issuer, other than an investment fund, do not perform functions for the issuer similar to those performed by the directors of a company, the trustees are not required to sign the certificate of the issuer if at least two individuals who perform functions for the issuer similar to those performed by the directors of a company sign the certificate.

(11) If the issuer is a limited partnership, a certificate under subsection (8) must be signed by

- (a) each individual who performs a function for the issuer similar to any of those performed by the chief executive officer or the chief financial officer of a company, and
- (b) each general partner of the issuer.

(11.1) If a general partner of the issuer is

- (a) an individual, the individual must sign the certificate,
  - (b) a company, the certificate must be signed
    - (i) by the chief executive officer and the chief financial officer of the general partner, and
    - (ii) on behalf of the board of directors of the general partner, by
      - (A) any two directors of the general partner, other than the persons referred to in subparagraph (i), or
      - (B) all of the directors of the general partner,
  - (c) a limited partnership, the certificate must be signed by each general partner of the limited partnership and, for greater certainty, this subsection applies to each general partner required to sign,
  - (d) a trust, the certificate must be signed by the trustees of the general partner as described in subsection 10 in relation to an issuer that is a trust, or
  - (e) not referred to in paragraphs (a) to (d), the certificate may be signed by any person with authority to act on behalf of the general partner.
- (12) If an issuer is not a company, trust or limited partnership, a certificate under subsection (8) must be signed by the persons that, in relation to the issuer, are in a similar position or perform a similar function to any of the persons referred to in subsections (9), (10), (10.1), (10.2), (10.3), (11) and (11.1).
- (13) A certificate under subsection (8) must be true
- (a) at the date the certificate is signed, and
  - (b) at the date the offering memorandum is delivered to the purchaser.
- (14) If a certificate under subsection (8) ceases to be true after it is delivered to the purchaser, the issuer cannot accept an agreement to purchase the security from the purchaser unless
- (a) the purchaser receives an update of the offering memorandum,
  - (b) the update of the offering memorandum contains a newly dated certificate signed in compliance with subsection (9), (10), (10.1), (10.2), (10.3), (11) or (11.1) and

(c) the purchaser re-signs the agreement to purchase the security.

(15) A risk acknowledgement under subsection (1) or (2) must be in the required form and an issuer relying on subsection (1) or (2) must retain the signed risk acknowledgment for 8 years after the distribution.

(16) The issuer must

(a) hold in trust all consideration received from the purchaser in connection with a distribution of a security under subsection (1) or (2) until midnight on the 2<sup>nd</sup> business day after the purchaser signs the agreement to purchase the security, and

(b) return all consideration to the purchaser promptly if the purchaser exercises the right to cancel the agreement to purchase the security described under subsection (6).

(17) The issuer must file a copy of an offering memorandum delivered under this section and any update of a previously filed offering memorandum with the securities regulatory authority on or before the 10<sup>th</sup> day after the distribution under the offering memorandum or update of the offering memorandum.

(18) If a qualifying issuer uses a form of offering memorandum that allows the qualifying issuer to incorporate previously filed information into the offering memorandum by reference, the qualifying issuer is exempt from the requirement under Regulation 43-101 respecting 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 to file a technical report to support scientific or technical information about the qualifying issuer's mineral project in the offering memorandum or incorporated by reference into the offering memorandum if the information about the mineral project is contained in a previously filed technical report under Regulation 43-101 respecting Standards of Disclosure for Mineral Projects.

## **2.10. Minimum amount investment**

(1) The prospectus requirement does not apply to a distribution of a security to a person if

(a) that person purchases as principal,

(b) the security has an acquisition cost to the purchaser of not less than \$150 000 paid in cash at the time of the distribution, and

(c) the distribution is of a security of a single issuer.

(2) Subsection (1) does not apply to a distribution of a security to a person if the person was created, or is used, solely to purchase or hold securities in reliance on this exemption from the prospectus requirement set out in subsection (1).

## **Division 2 Transaction Exemptions**

### **2.11. Business combination and reorganization**

The prospectus requirement does not apply to a distribution of a security in connection with

(a) an amalgamation, merger, reorganization or arrangement that is under a statutory procedure,

(b) an amalgamation, merger, reorganization or arrangement that

(i) is described in an information circular made pursuant to Regulation 51-102 respecting Continuous Disclosure Obligations or in a similar disclosure record and the information circular or similar disclosure record is delivered to each security holder whose approval of the amalgamation, merger, reorganization or arrangement is required before it can proceed, and

(ii) is approved by the security holders referred to in subparagraph (i),

or

(c) a dissolution or winding-up of the issuer.

### **2.12. Asset acquisition**

The prospectus requirement does not apply to a distribution by an issuer of a security of its own issue to a person as consideration for the acquisition, directly or indirectly, of the assets of the person, if those assets have a fair value of not less than \$150 000.

### **2.13. Petroleum, natural gas and mining properties**

The prospectus requirement does not apply to a distribution by an issuer of a security of its own issue as consideration for the acquisition, directly or indirectly, of petroleum, natural gas or mining properties or any interest in them.

#### **2.14. Securities for debt**

The prospectus requirement does not apply to a distribution by a reporting issuer of a security of its own issue to a creditor to settle a bona fide debt of that reporting issuer.

#### **2.15. Issuer acquisition or redemption**

The prospectus requirement does not apply to a distribution of a security to the issuer of the security.

#### **2.16. Take-over bid and issuer bid**

The prospectus requirement does not apply to a distribution of a security in connection with a take-over bid in a jurisdiction of Canada or an issuer bid in a jurisdiction of Canada.

#### **2.17. Offer to acquire to security holder outside local jurisdiction**

The prospectus requirement does not apply to a distribution by a security holder outside the local jurisdiction to a person in the local jurisdiction if the distribution would have been in connection with a take-over bid or issuer bid made by that person were it not for the fact that the security holder is outside of the local jurisdiction.

### **DIVISION 3 INVESTMENT FUND EXEMPTIONS**

#### **2.18. Investment fund reinvestment**

(1) The prospectus requirement does not apply to the following distributions by an investment fund, and the investment fund manager of the fund, to a security holder of the investment fund if the distributions are permitted by a plan of the investment fund:

(a) a distribution of a security of the investment fund's own issue if a dividend or distribution out of earnings, surplus, capital or other sources payable in respect of the investment fund's securities is applied to the purchase of the security that is of the same class or series as the securities to which the dividend or distribution out of earnings, surplus, capital or other sources is attributable, and

(b) a distribution of a security of the investment fund's own issue if the security holder makes an optional cash payment to purchase the security of the investment fund that is of the same class or series of securities described in paragraph (a) that trade on a marketplace.

(2) The aggregate number of securities issued under the optional cash payment referred to in subsection (1)(b) must not exceed, in any financial year of the investment fund during

which the distribution takes place, 2% of the issued and outstanding securities of the class to which the plan relates as at the beginning of the financial year.

(3) A plan that permits the distributions described in subsection (1) must be available to every security holder in Canada to which the dividend or distribution out of earnings, surplus, capital or other sources is available.

(4) A person must not charge a fee for a distribution described in subsection (1).

(5) An investment fund that is a reporting issuer and in continuous distribution must set out in its current prospectus:

(a) details of any deferred or contingent sales charge or redemption fee that is payable at the time of the redemption of the security,

(b) any right that the security holder has to make an election to receive cash instead of securities on the payment of a dividend or making of a distribution by the investment fund, and

(c) instructions on how the right referred to in paragraph (b) can be exercised.

(6) An investment fund that is a reporting issuer and is not in continuous distribution must provide the information required by subsection (5) in its prospectus, annual information form or a material change report.

## **2.19. Additional investment in investment funds**

The prospectus requirement does not apply to a distribution by an investment fund, or the investment fund manager of the fund, of a security of the investment fund's own issue to a security holder of the investment fund if

(a) the security holder initially acquired securities of the investment fund as principal for an acquisition cost of not less than \$150 000 paid in cash at the time of the distribution,

(b) the distribution is of a security of the same class or series as the securities initially acquired, as described in paragraph (a), and

(c) the security holder, as at the date of the distribution, holds securities of the investment fund that have

(i) an acquisition cost of not less than \$150 000, or

(ii) a net asset value of not less than \$150 000.



**2.20. Private investment club**

The prospectus requirement does not apply to a distribution of a security of an investment fund if the investment fund

- (a) has no more than 50 beneficial security holders,
- (b) does not seek and has never sought to borrow money from the public,
- (c) does not and has never distributed its securities to the public,
- (d) does not pay or give any remuneration for investment management or administration advice in respect of trades in securities, except normal brokerage fees, and
- (e) for the purpose of financing the operations of the investment fund, requires security holders to make contributions in proportion to the value of the securities held by them.

**2.21. Private investment fund - loan and trust pools**

(1) The prospectus requirement does not apply to a distribution of a security of an investment fund if the investment fund

- (a) is administered by a trust company or trust corporation that is registered or authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada,
- (b) has no promoter or investment fund manager other than the trust company or trust corporation referred to in paragraph (a), and
- (c) co-mingles the money of different estates and trusts for the purpose of facilitating investment.

(2) Despite subsection (1), a trust company or trust corporation registered under the laws of Prince Edward Island that is not registered under the Trust and Loan Companies Act or under comparable legislation in another jurisdiction of Canada is not a trust company or trust corporation for the purpose of subparagraph (1)(a).

**Division 4 Employee, Executive Officer, Director and Consultant Exemptions****2.22. Definitions**

In this Division and in Division 4 of Part 3 of this Regulation

“associate”, when used to indicate a relationship with a person, means

(a) an issuer of which the person beneficially owns or controls, directly or indirectly, voting securities entitling the person to more than 10% of the voting rights attached to outstanding voting securities of the issuer,

(b) any partner of the person,

(c) any trust or estate in which the person has a substantial beneficial interest or in respect of which the person serves as trustee or executor or in a similar capacity, or

(d) in the case of an individual, a relative of that individual, including

(i) a spouse of that individual, or

(ii) a relative of that individual's spouse

if the relative has the same home as that individual;

“associated consultant” means, for an issuer, a consultant of the issuer or of a related entity of the issuer if

(a) the consultant is an associate of the issuer or of a related entity of the issuer,  
or

(b) the issuer or a related entity of the issuer is an associate of the consultant;

“compensation” means an issuance of securities in exchange for services provided or to be provided and includes an issuance of securities for the purpose of providing an incentive;

“consultant” means, for an issuer, a person, other than an employee, executive officer, or director of the issuer or of a related entity of the issuer, that

(a) is engaged to provide services to the issuer or a related entity of the issuer, other than services provided in relation to a distribution,

(b) provides the services under a written contract with the issuer or a related entity of the issuer, and

(c) spends or will spend a significant amount of time and attention on the affairs and business of the issuer or a related entity of the issuer

and includes

(d) for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, and a partnership of which the individual consultant is an employee or partner, and

(e) for a consultant that is not an individual, an employee, executive officer, or director of the consultant, provided that the individual employee, executive officer, or director spends or will spend a significant amount of time and attention on the affairs and business of the issuer or a related entity of the issuer.

“holding entity” means a person that is controlled by an individual;

“investor relations activities” means activities or communications, by or on behalf of an issuer or a security holder of the issuer, that promote or could reasonably be expected to promote the purchase or sale of securities of the issuer, but does not include

(a) the dissemination of information or preparation of records in the ordinary course of the business of the issuer

(i) to promote the sale of products or services of the issuer, or

(ii) to raise public awareness of the issuer

that cannot reasonably be considered to promote the purchase or sale of securities of the issuer,

(b) activities or communications necessary to comply with the requirements of

(i) securities legislation of any jurisdiction of Canada,

(ii) the securities laws of any foreign jurisdiction governing the issuer, or

(iii) any exchange or market on which the issuer’s securities trade, or

(c) activities or communications necessary to follow securities directions of any jurisdiction of Canada;

“investor relations person” means a person that is a registrant or that provides services that include investor relations activities;

“issuer bid requirements” means the requirements under securities legislation that apply to an issuer bid;

“listed issuer” means an issuer, any of the securities of which

- (a) are listed and not suspended, or the equivalent, from trading on
  - (i) TSX Inc.,
  - (ii) TSX Venture Exchange Inc.,
  - (iii) NYSE Amex Equities,
  - (iv) The New York Stock Exchange,
  - (v) the London Stock Exchange, or
- (b) are quoted on the Nasdaq Stock Market;

“permitted assign” means, for a person that is an employee, executive officer, director or consultant of an issuer or of a related entity of the issuer,

- (a) a trustee, custodian, or administrator acting on behalf of, or for the benefit of the person,
- (b) a holding entity of the person,
- (c) a RRSP, RRIF, or TFSA of the person,
- (d) a spouse of the person,
- (e) a trustee, custodian, or administrator acting on behalf of, or for the benefit of the spouse of the person,
- (f) a holding entity of the spouse of the person, or
- (g) a RRSP, RRIF, or TFSA of the spouse of the person;

“plan” means a plan or program established or maintained by an issuer providing for the acquisition of securities of the issuer by persons described in section 2.24(1) [*Employee, executive officer, director and consultant*] as compensation;

“related entity” means, for an issuer, a person that controls or is controlled by the issuer or that is controlled by the same person that controls the issuer;

“related person” means, for an issuer,

- (a) a director or executive officer of the issuer or of a related entity of the issuer,
- (b) an associate of a director or executive officer of the issuer or of a related entity of the issuer, or
- (c) a permitted assign of a director or executive officer of the issuer or of a related entity of the issuer;

“security holder approval” means an approval for the issuance of securities of an issuer as compensation or under a plan

- (a) given by a majority of the votes cast at a meeting of security holders of the issuer other than votes attaching to securities beneficially owned by related persons to whom securities may be issued as compensation or under that plan, or
- (b) evidenced by a resolution signed by all the security holders entitled to vote at a meeting, if the issuer is not required to hold a meeting; and

“support agreement” includes an agreement to provide assistance in the maintenance or servicing of indebtedness of the borrower and an agreement to provide consideration for the purpose of maintaining or servicing indebtedness of the borrower.

### **2.23. Interpretation**

(1) In this Division, a person (first person) is considered to control another person (second person) if the first person, directly or indirectly, has the power to direct the management and policies of the second person by virtue of

- (a) ownership of or direction over voting securities in the second person,
- (b) a written agreement or indenture,
- (c) being the general partner or controlling the general partner of the second person, or
- (d) being a trustee of the second person.

(2) In this Division, participation in a distribution is considered voluntary if

- (a) in the case of an employee or the employee’s permitted assign, the employee or the employee’s permitted assign is not induced to participate in the distribution by expectation of employment or continued employment of the employee with the issuer or a related entity of the issuer,

(b) in the case of an executive officer or the executive officer's permitted assign, the executive officer or the executive officer's permitted assign is not induced to participate in the distribution by expectation of appointment, employment, continued appointment or continued employment of the executive officer with the issuer or a related entity of the issuer,

(c) in the case of a consultant or the consultant's permitted assign, the consultant or the consultant's permitted assign is not induced to participate in the distribution by expectation of engagement of the consultant to provide services or continued engagement of the consultant to provide services to the issuer or a related entity of the issuer, and

(d) in the case of an employee of a consultant, the individual is not induced by the issuer, a related entity of the issuer, or the consultant to participate in the distribution by expectation of employment or continued employment with the consultant.

#### **2.24. Employee, executive officer, director and consultant**

(1) The prospectus requirement does not apply to a distribution

(a) by an issuer in a security of its own issue, or

(b) by a control person of an issuer of a security of the issuer or of an option to acquire a security of the issuer,

with

(c) an employee, executive officer, director or consultant of the issuer,

(d) an employee, executive officer, director or consultant of a related entity of the issuer, or

(e) a permitted assign of a person referred to in paragraphs (c) or (d)

if participation in the distribution is voluntary.

(2) For the purposes of subsection (1), a person referred to in paragraph (c), (d) or (e) includes a trustee, custodian or administrator acting as agent for that person for the purpose of facilitating a trade.

#### **2.25. Unlisted reporting issuer exception**

(1) For the purpose of this section, "unlisted reporting issuer" means a reporting issuer in a jurisdiction of Canada that is not a listed issuer.

(2) Section 2.24 [*Employee, executive officer, director and consultant*] does not apply to a distribution to an employee or consultant of the unlisted reporting issuer who is an investor relations person of the issuer, an associated consultant of the issuer, an executive officer of the issuer, a director of the issuer, or a permitted assign of those persons if, after the distribution,

(a) the number of securities, calculated on a fully diluted basis, reserved for issuance under options granted to

(i) related persons, exceeds 10% of the outstanding securities of the issuer, or

(ii) a related person, exceeds 5% of the outstanding securities of the issuer, or

(b) the number of securities, calculated on a fully diluted basis, issued within 12 months to

(i) related persons, exceeds 10% of the outstanding securities of the issuer, or

(ii) a related person and the associates of the related person, exceeds 5% of the outstanding securities of the issuer.

(3) Subsection (2) does not apply to a distribution if the unlisted reporting issuer

(a) obtains security holder approval, and

(b) before obtaining security holder approval, provides security holders with the following information in sufficient detail to permit security holders to form a reasoned judgment concerning the matter:

(i) the eligibility of employees, executive officers, directors, and consultants to be issued or granted securities as compensation or under a plan;

(ii) the maximum number of securities that may be issued, or in the case of options, the number of securities that may be issued on exercise of the options, as compensation or under a plan;

(iii) particulars relating to any financial assistance or support agreement to be provided to participants by the issuer or any related entity of the issuer to facilitate the purchase of securities as compensation or under a plan, including whether the assistance or support is to be provided on a full-, part-, or non-recourse basis;

(iv) in the case of options, the maximum term and the basis for the determination of the exercise price;

(v) particulars relating to the options or other entitlements to be granted as compensation or under a plan, including transferability; and

(vi) the number of votes attaching to securities that, to the issuer's knowledge at the time the information is provided, will not be included for the purpose of determining whether security holder approval has been obtained.

## **2.26. Distributions among current or former employees, executive officers, directors, or consultants of non-reporting issuer**

(1) The prospectus requirement does not apply to a distribution of a security of an issuer by

(a) a current or former employee, executive officer, director, or consultant of the issuer or related entity of the issuer, or

(b) a permitted assign of a person referred to in paragraph (a),

to

(c) an employee, executive officer, director, or consultant of the issuer or a related entity of the issuer, or

(d) a permitted assign of the employee, executive officer, director, or consultant.

(2) The exemption in subsection (1) is only available if

(a) participation in the distribution is voluntary,

(b) the issuer of the security is not a reporting issuer in any jurisdiction of Canada, and

(c) the price of the security being distributed is established by a generally applicable formula contained in a written agreement among some or all of the security holders of the issuer to which the transferee is or will become a party.

## **2.27. Permitted transferees**

(1) The prospectus requirement does not apply to a distribution of a security of an issuer acquired by a person described in section 2.24(1)[*Employee, executive officer, director and consultant*] under a plan of the issuer if the distribution



(a) is between

(i) a person who is an employee, executive officer, director or consultant of the issuer or a related entity of the issuer, and

(ii) the permitted assign of that person,

or

(b) is between permitted assigns of that person.

(2) The prospectus requirement does not apply to a distribution of a security of an issuer by a trustee, custodian or administrator acting on behalf, or for the benefit, of employees, executive officers, directors or consultants of the issuer or a related entity of the issuer, to

(a) an employee, executive officer, director or consultant of the issuer or a related entity of the issuer, or

(b) a permitted assign of a person referred to in paragraph (a),

if the security was acquired from

(c) an employee, executive officer, director or consultant of the issuer or a related entity of the issuer, or

(d) the permitted assign of a person referred to in paragraph (c).

(3) For the purposes of the exemptions in subsection (1) and paragraphs (2) (c) and (d), all references to employee, executive officer, director, or consultant include a former employee, executive officer, director, or consultant.

## **2.28. Limitation re: permitted transferees**

The exemption from the prospectus requirement under subsection 2.27(1) or (2) is only available if the security was acquired

(a) by a person described in section 2.24(1) [*Employee, executive officer, director, and consultant*] under any exemption that makes the resale of the security subject to section 2.6 of Regulation 45-102 respecting Resale of Securities approved by Ministerial Order No. 2005-21 dated August 12, 2005, or

(b) in Manitoba, by a person described in section 2.24(1) [*Employee, executive officer, director, and consultant*].

**2.29. Issuer bid**

The issuer bid requirements do not apply to the acquisition by an issuer of a security of its own issue that was acquired by a person described in section 2.24(1) [*Employee, executive officer, director, and consultant*] if

- (a) the purpose of the acquisition by the issuer is to
  - (i) fulfill withholding tax obligations, or
  - (ii) provide payment of the exercise price of a stock option,
- (b) the acquisition by the issuer is made in accordance with the terms of a plan that specifies how the value of the securities acquired by the issuer is determined,
- (c) in the case of securities acquired as payment of the exercise price of a stock option, the date of exercise of the option is chosen by the option holder, and
- (d) the aggregate number of securities acquired by the issuer within a 12 month period under this section does not exceed 5% of the outstanding securities of the class or series at the beginning of the period.

**Division 5 Miscellaneous Exemptions****2.30. Isolated distribution by issuer**

The prospectus requirement does not apply to a distribution by an issuer of a security of its own issue if the distribution is an isolated distribution and is not made

- (a) in the course of continued and successive transactions of a like nature, and
- (b) by a person whose usual business is trading in securities.

**2.31. Dividends and distributions**

(1) The prospectus requirement does not apply to a distribution by an issuer of a security of its own issue to a security holder of the issuer as a dividend or distribution out of earnings, surplus, capital or other sources.

(2) The prospectus requirement does not apply to a distribution by an issuer to a security holder of the issuer of a security of a reporting issuer as an in specie dividend or distribution out of earnings or surplus.

**2.32. Distribution to lender by control person for collateral**

The prospectus requirement does not apply to a distribution of a security of an issuer to a lender, pledgee, mortgagee or other encumbrancer from the holdings of a control person of the issuer for the purpose of giving collateral for a bona fide debt of the control person.

**2.33. Acting as underwriter**

The prospectus requirement does not apply to a distribution of a security between a person and a purchaser acting as an underwriter or between or among persons acting as underwriters.

**2.34. Specified debt**

(1) In this section, “permitted supranational agency” means

(a) the African Development Bank, established by the Agreement Establishing the African Development Bank which came into force on September 10, 1964, that Canada became a member of on December 30, 1982;

(b) the Asian Development Bank, established under a resolution adopted by the United Nations Economic and Social Commission for Asia and the Pacific in 1965;

(c) the Caribbean Development Bank, established by the Agreement Establishing the Caribbean Development Bank which came into force on January 26, 1970, as amended, that Canada is a founding member of;

(d) the European Bank for Reconstruction and Development, established by the Agreement Establishing the European Bank for Reconstruction and Development and approved by the European Bank for Reconstruction and Development Agreement Act (L.C. (1991), c. 12), that Canada is a founding member of;

(e) the Inter-American Development Bank, established by the Agreement establishing the Inter-American Development Bank which became effective December 30, 1959, as amended from time to time, that Canada is a member of;

(f) the International Bank for Reconstruction and Development, established by the Agreement for an International Bank for Reconstruction and Development approved by the Bretton Woods and Related Agreements Act (R.S.C. (1985), c. B-7); and

(g) the International Finance Corporation, established by Articles of Agreement set out in Schedule IV of the Bretton Woods and Related Agreements Act.

- (2) The prospectus requirement does not apply to a distribution of
- (a) a debt security issued by or guaranteed by the Government of Canada or the government of a jurisdiction of Canada,
  - (b) a debt security issued by or guaranteed by a government of a foreign jurisdiction if the debt security has an approved credit rating from an approved credit rating organization,
  - (c) a debt security issued by or guaranteed by a municipal corporation in Canada, or secured by or payable out of rates or taxes levied under the law of a jurisdiction of Canada on property in the jurisdiction and collectable by or through the municipality in which the property is situated,
  - (d) a debt security issued by or guaranteed by a Canadian financial institution or a Schedule III bank, other than debt securities that are subordinate in right of payment to deposits held by the issuer or guarantor of those debt securities,
    - (d.1) in Ontario, a debt security issued by or guaranteed by a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of a jurisdiction of Canada other than Ontario to carry on business in a jurisdiction of Canada, other than debt securities that are subordinate in right of payment to deposits held by the issuer or guarantor of those debt securities,
  - (e) a debt security issued by the Comité de gestion de la taxe scolaire de l'île de Montréal, or
  - (f) a debt security issued by or guaranteed by a permitted supranational agency if the debt securities are payable in the currency of Canada or the United States of America.
- (3) Paragraphs (2)(a), (c) and (d) do not apply in Ontario.

### **2.35. Short-term debt**

The prospectus requirement does not apply to a distribution of a negotiable promissory note or commercial paper maturing not more than one year from the date of issue, if the note or commercial paper distributed

- (a) is not convertible or exchangeable into or accompanied by a right to purchase another security other than a security described in this section, and
- (b) has an approved credit rating from an approved credit rating organization.

### **2.36. Mortgages**

(1) In this section, “syndicated mortgage” means a mortgage in which 2 or more persons participate, directly or indirectly, as a lender in a debt obligation that is secured by the mortgage.

(2) Except in Ontario, the prospectus requirement does not apply to a distribution of a mortgage on real property in a jurisdiction of Canada by a person who is registered or licensed, or exempted from registration or licensing, under mortgage brokerage or mortgage dealer legislation of that jurisdiction.

(3) In Alberta, British Columbia, Manitoba, Québec and Saskatchewan, subsection (2) does not apply to a distribution of a syndicated mortgage.

### **2.37. Personal property security legislation**

Except in Ontario, the prospectus requirement does not apply to a distribution to a person, other than an individual, in a security evidencing indebtedness secured by or under a security agreement, secured in accordance with personal property security legislation of a jurisdiction of Canada that provides for the granting of security in personal property.

### **2.38. Not for profit issuer**

The prospectus requirement does not apply to a distribution by an issuer that is organized exclusively for educational, benevolent, fraternal, charitable, religious or recreational purposes and not for profit in a security of its own issue if

- (a) no part of the net earnings benefit any security holder of the issuer, and
- (b) no commission or other remuneration is paid in connection with the sale of the security.

### **2.39. Variable insurance contract**

(1) In this section,

(a) “contract” “group insurance”, “insurance company”, “life insurance” and “policy” have the respective meanings assigned to them in the legislation for a jurisdiction referenced in Appendix A.

(b) “variable insurance contract” means a contract of life insurance under which the interest of the purchaser is valued for purposes of conversion or surrender by reference to the value of a proportionate interest in a specified portfolio of assets.

(2) The prospectus requirement does not apply to a distribution of a variable insurance contract by an insurance company if the variable insurance contract is

- (a) a contract of group insurance,
- (b) a whole life insurance contract providing for the payment at maturity of an amount not less than 75% of the premium paid up to age 75 years for a benefit payable at maturity,
- (c) an arrangement for the investment of policy dividends and policy proceeds in a separate and distinct fund to which contributions are made only from policy dividends and policy proceeds, or
- (d) a variable life annuity.

#### **2.40. RRSP/RRIF/TFSA**

The prospectus requirement does not apply to a distribution of a security between

- (a) an individual or an associate of the individual, and
- (b) a RRSP, RRIF, or TFSA
  - (i) established for or by the individual, or
  - (ii) under which the individual is a beneficiary.

#### **2.41. Schedule III banks and cooperative associations - evidence of deposit**

Except in Ontario, the prospectus requirement does not apply to a distribution of an evidence of deposit issued by a Schedule III bank or an association governed by the Cooperative Credit Associations Act.

#### **2.42. Conversion, exchange, or exercise**

- (1) The prospectus requirement does not apply to a distribution by an issuer if
  - (a) the issuer distributes a security of its own issue to a security holder of the issuer in accordance with the terms and conditions of a security previously issued by that issuer, or
  - (b) the issuer distributes a security of a reporting issuer held by it to a security holder of the issuer in accordance with the terms and conditions of a security previously issued by that issuer.

(2) Subsection (1)(b) does not apply unless

(a) the issuer has given the regulator or, in Québec, the securities regulatory authority, prior written notice stating the date, amount, nature and conditions of the distribution, and

(b) the regulator or, in Québec, the securities regulatory authority, has not objected in writing to the distribution within 10 days of receipt of the notice referred to in paragraph (a) or, if the regulator or securities regulatory authority objects to the distribution, the issuer must deliver to the regulator or securities regulatory authority information relating to the securities that is satisfactory to and accepted by the regulator or securities regulatory authority.

#### **2.43. Self-directed registered educational savings plans**

The prospectus requirement does not apply to a distribution of a self-directed RESP to a subscriber if

(a) the distribution is conducted by

(i) a dealing representative of a mutual fund dealer who is acting on behalf of the mutual fund dealer,

(ii) a Canadian financial institution or,

(iii) in Ontario, a financial intermediary, and

(b) the self-directed RESP restricts its investments in securities to securities in which the person who distributes the self-directed RESP is permitted to distribute.

### **PART 3 REGISTRATION EXEMPTIONS**

#### **3.0. Removal of exemptions – market intermediaries**

(1) In Ontario and Newfoundland and Labrador, the exemptions from the dealer registration requirement under the following sections are not available for a market intermediary except for a trade in a security with a registered dealer that is an affiliate of the market intermediary:

(a) section 3.1 [*Rights offering*];

(b) section 3.3 [*Accredited investor*];

(c) section 3.4 [*Private issuer*];

- (d) section 3.7 [*Founder, control person and family - Ontario*];
- (e) section 3.10 [*Minimum amount investment*];
- (f) section 3.11 [*Business combination and reorganization*];
- (g) section 3.12 [*Asset acquisition*];
- (h) section 3.14 [*Securities for debt*];
- (i) section 3.15 [*Issuer acquisition or redemption*];
- (j) section 3.16 [*Take-over bid and issuer bid*];
- (k) section 3.17 [*Offer to acquire to security holder outside local jurisdiction*];
- (l) section 3.19 [*Additional investment in investment funds*];
- (m) section 3.21 [*Private investment fund - loan and trust pools*];
- (n) section 3.29 [*Isolated trade*];
- (o) section 3.30 [*Isolated trade by issuer*];
- (p) section 3.31 [*Dividends and distributions*];
- (q) section 3.33 [*Acting as underwriter*];
- (r) section 3.34 [*Specified debt*];
- (s) section 3.35 [*Short-term debt*];
- (t) section 3.39 [*Variable insurance contract*];
- (u) section 3.42 [*Conversion, exchange, or exercise*];
- (v) section 3.44 [*Registered dealer*].

(2) Subsection (1) does not apply in respect of a trade in a security by a lawyer or accountant if the trade is incidental to the principal business of that lawyer or accountant.



## **Division 1 Capital Raising Exemptions**

### **3.1. Rights offering**

The dealer registration requirement does not apply in respect of a trade by an issuer in a right granted by the issuer to purchase a security of its own issue to a security holder of the issuer if

(a) the issuer has given the regulator or, in Québec, the securities regulatory authority, prior written notice stating the date, amount, nature and conditions of the trade, including the approximate net proceeds to be derived by the issuer on the basis of the additional securities being fully taken up,

(b) the regulator or, in Québec, the securities regulatory authority, has not objected in writing to the trade within 10 days of receipt of the notice referred to in paragraph (a) or, if the regulator or securities regulatory authority objects to the trade, the issuer has delivered to the regulator or securities regulatory authority information relating to the securities that is satisfactory to and accepted by the regulator or securities regulatory authority, and

(c) the issuer has complied with the applicable requirements of Regulation 45-101 respecting Rights Offerings.

### **3.2. Reinvestment plan**

(1) The dealer registration requirement does not apply in respect of the following trades by an issuer, or by a trustee, custodian or administrator acting for or on behalf of the issuer, to a security holder of the issuer if the trades are permitted by a plan of the issuer:

(a) a trade in a security of the issuer's own issue if a dividend or distribution out of earnings, surplus, capital or other sources payable in respect of the issuer's securities is applied to the purchase of the security, and

(b) a trade in a security of the issuer's own issue if the security holder makes an optional cash payment to purchase the security of the issuer that trades on a marketplace.

(2) Subsection (1) does not apply unless the aggregate number of securities issued under the optional cash payment referred to in subsection (1)(b) does not exceed, in the financial year of the issuer during which the trade takes place, 2% of the issued and outstanding securities of the class to which the plan relates as at the beginning of the financial year.

(3) A plan that permits the trades described in subsection (1)(a) or (b) must be available to every security holder in Canada to which the dividend or distribution out of earnings, surplus, capital or other sources is available.

(4) Subsection (1) does not apply to a trade in a security of an investment fund.

(5) If the security traded under a plan described in subsection (1) is of a different class or series than the class or series of the security to which the dividend or distribution is attributable, the issuer or the trustee, custodian or administrator must have provided to each participant that is eligible to receive a security under the plan either a description of the material attributes and characteristics of the security traded under the plan or notice of a source from which the participant can obtain the information without charge.

### **3.3. Accredited investor**

(1) The dealer registration requirement does not apply in respect of a trade in a security if the purchaser purchases the security as principal and is an accredited investor.

(2) For the purpose of this section, a trust company or trust corporation described in paragraph (p) of the definition of “accredited investor” in section 1.1 [*Definitions*] is deemed to be purchasing as principal.

(3) Subsection (2) does not apply to a trust company or trust corporation registered under the laws of Prince Edward Island that is not registered or authorized under the Trust and Loan Companies Act or under comparable legislation in another jurisdiction of Canada.

(4) For the purpose of this section, a person described in paragraph (q) of the definition of “accredited investor” in section 1.1 [*Definitions*] is deemed to be purchasing as principal.

(5) This section does not apply to a trade in a security to a person if the person was created, or is used, solely to purchase or hold securities as an accredited investor as described in paragraph (m) of the definition of “accredited investor” in section 1.1 [*Definitions*].

### **3.4. Private issuer**

(1) In this section,

“private issuer” means an issuer

(a) that is not a reporting issuer or an investment fund,

(b) the securities of which, other than non-convertible debt securities,

(i) are subject to restrictions on transfer that are contained in the issuer’s constating documents or security holders’ agreements, and

(ii) are beneficially owned by not more than 50 persons, not including employees and former employees of the issuer or its affiliates, provided that each person is counted as one beneficial owner unless the person is created or used solely to purchase or hold securities of the issuer in which case each beneficial owner or each beneficiary of the person, as the case may be, must be counted as a separate beneficial owner, and

(c) that

(i) has distributed its securities only to persons described in subsection (2), or

(ii) has completed a transaction and immediately following the completion of the transaction, its securities were beneficially owned only by persons described in subsection (2) and since the completion of the transaction has distributed its securities only to persons described in subsection (2).

(2) The dealer registration requirement does not apply in respect of a trade in a security of a private issuer to a person who purchases the security as principal and is

(a) a director, officer, employee, founder or control person of the issuer,

(b) a director, officer or employee of an affiliate of the issuer,

(c) a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer, founder or control person of the issuer,

(d) a parent, grandparent, brother, sister, child or grandchild of the spouse of a director, executive officer, founder or control person of the issuer,

(e) a close personal friend of a director, executive officer, founder or control person of the issuer,

(f) a close business associate of a director, executive officer, founder or control person of the issuer,

(g) a spouse, parent, grandparent, brother, sister, child or grandchild of the selling security holder or of the selling security holder's spouse,

(h) a security holder of the issuer,

(i) an accredited investor,

(j) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (a) to (i),

(k) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (a) to (i), or

(l) a person that is not the public.

(3) Except for a trade to an accredited investor, no commission or finder's fee may be paid to any director, officer, founder or control person of an issuer in connection with a trade under subsection (2).

### **3.5. Family, friends and business associates**

(1) Except in Ontario, the dealer registration requirement does not apply in respect of a trade in a security to a person who purchases the security as principal and is

(a) a director, executive officer or control person of the issuer, or of an affiliate of the issuer,

(b) a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer or control person of the issuer, or of an affiliate of the issuer,

(c) a parent, grandparent, brother, sister, child or grandchild of the spouse of a director, executive officer or control person of the issuer or of an affiliate of the issuer,

(d) a close personal friend of a director, executive officer or control person of the issuer, or of an affiliate of the issuer,

(e) a close business associate of a director, executive officer or control person of the issuer, or of an affiliate of the issuer,

(f) a founder of the issuer or a spouse, parent, grandparent, brother, sister, child, grandchild, close personal friend or close business associate of a founder of the issuer,

(g) a parent, grandparent, brother, sister, child or grandchild of a spouse of a founder of the issuer,

(h) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (a) to (g), or

(i) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (a) to (g).

(2) No commission or finder's fee may be paid to any director, officer, founder, or control person of an issuer or an affiliate of the issuer in connection with a trade under subsection (1).

### 3.6. Family, friends and business associates – Saskatchewan

(1) In Saskatchewan, section 3.5 [*Family, friends and business associates*] does not apply unless the person making the trade obtains a signed risk acknowledgement from the purchaser in the required form for a trade to

(a) a person described in section 3.5(1)(d) or (e) [*Family, friends and business associates*],

(b) a close personal friend or close business associate of a founder of the issuer,  
or

(c) a person described in section 3.5(1)(h) or (i) [*Family, friends and business associates*] if the trade is based in whole or in part on a close personal friendship or close business association.

(2) The person making the trade must retain the required form referred to in subsection (1) for 8 years after the trade.

### 3.7. Founder, control person and family – Ontario

In Ontario, the dealer registration requirement does not apply in respect of a trade in a security to a person who purchases the security as principal and is

(a) a founder of the issuer,

(b) an affiliate of a founder of the issuer,

(c) a spouse, parent, brother, sister, grandparent, grandchild or child of an executive officer, director or founder of the issuer, or

(d) a person that is a control person of the issuer.

### 3.8. Affiliates

The dealer registration requirement does not apply in respect of a trade by an issuer in a security of its own issue to an affiliate of the issuer that is purchasing as principal.

### 3.9. Offering memorandum

(1) In British Columbia, New Brunswick, Nova Scotia and Newfoundland and Labrador, the dealer registration requirement does not apply in respect of a trade by an issuer in a security of its own issue to a purchaser if

- (a) the purchaser purchases the security as principal, and
  - (b) at the same time or before the purchaser signs the agreement to purchase the security, the issuer
    - (i) delivers an offering memorandum to the purchaser in compliance with subsections (5) to (13), and
    - (ii) obtains a signed risk acknowledgement from the purchaser in compliance with subsection (15).
- (2) In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon, the dealer registration requirement does not apply in respect of a trade by an issuer in a security of its own issue to a purchaser if
- (a) the purchaser purchases the security as principal,
  - (b) the purchaser is an eligible investor or the acquisition cost to the purchaser does not exceed \$10 000,
  - (c) at the same time or before the purchaser signs the agreement to purchase the security, the issuer
    - (i) delivers an offering memorandum to the purchaser in compliance with subsections (5) to (13), and
    - (ii) obtains a signed risk acknowledgement from the purchaser in compliance with subsection (15),
- and
- (d) if the issuer is an investment fund, the investment fund is
    - (i) a non-redeemable investment fund, or
    - (ii) a mutual fund that is a reporting issuer.
- (3) In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon, this section does not apply to a trade in a security to a person described in paragraph (a) of the definition of “eligible investor” in section 1.1 [*Definitions*] if that person was created, or is used, solely to purchase or hold securities in reliance on an exemption from the dealer registration requirement set out in subsection (2).

(4) No commission or finder's fee may be paid to any person, other than a registered dealer, in connection with a trade to a purchaser in Northwest Territories, Nunavut, Saskatchewan and Yukon under subsection (2).

(5) An offering memorandum delivered under this section must be in the required form.

(6) If the securities legislation where the purchaser is resident does not provide a comparable right, an offering memorandum delivered under this section must provide the purchaser with a contractual right to cancel the agreement to purchase the security by delivering a notice to the issuer not later than midnight on the 2<sup>nd</sup> business day after the purchaser signs the agreement to purchase the security.

(7) If the securities legislation where the purchaser is resident does not provide statutory rights of action in the event of a misrepresentation in an offering memorandum delivered under this section, the offering memorandum must contain a contractual right of action against the issuer for rescission or damages that

(a) is available to the purchaser if the offering memorandum, or any information or documents incorporated or deemed to be incorporated by reference into the offering memorandum, contains a misrepresentation, without regard to whether the purchaser relied on the misrepresentation,

(b) is enforceable by the purchaser delivering a notice to the issuer

(i) in the case of an action for rescission, within 180 days after the purchaser signs the agreement to purchase the security, or

(ii) in the case of an action for damages, before the earlier of

A) 180 days after the purchaser first has knowledge of the facts giving rise to the cause of action, or

B) 3 years after the date the purchaser signs the agreement to purchase the security,

(c) is subject to the defence that the purchaser had knowledge of the misrepresentation,

(d) in the case of an action for damages, provides that the amount recoverable

(i) must not exceed the price at which the security was offered, and

(ii) does not include all or any part of the damages that the issuer proves does not represent the depreciation in value of the security resulting from the misrepresentation, and

- (e) is in addition to, and does not detract from, any other right of the purchaser.
- (8) An offering memorandum delivered under this section must contain a certificate that states the following:
- “This offering memorandum does not contain a misrepresentation.”
- (9) If the issuer is a company, a certificate under subsection (8) must be signed
- (a) by the issuer’s chief executive officer and chief financial officer or, if the issuer does not have a chief executive officer or chief financial officer, an individual acting in that capacity,
- (b) on behalf of the directors of the issuer by,
- (i) any 2 directors who are authorized to sign, other than the persons referred to in paragraph (a), or
- (ii) all the directors of the issuer and
- (c) by each promoter of the issuer.
- (10) If the issuer is a trust, a certificate under subsection (8) must be signed by
- (a) the individuals who perform functions for the issuer similar to those performed by the chief executive officer and the chief financial officer of a company, and
- (b) each trustee and the manager of the issuer.
- (10.1) If a trustee or the manager that is signing the certificate of the issuer is
- (a) an individual, the individual must sign the certificate,
- (b) a company, the certificate must be signed
- (i) by the chief executive officer and the chief financial officer of the trustee or the manager, and
- (ii) on behalf of the board of directors of the trustee or the manager, by
- (A) any two directors of the trustee or the manager, other than the persons referred to in subparagraph (i), or
- (B) all of the directors of the trustee or the manager,



(c) a limited partnership, the certificate must be signed by each general partner of the limited partnership as described in subsection (11.1) in relation to an issuer that is a limited partnership, or

(d) not referred to in paragraphs (a), (b) or (c), the certificate may be signed by any person with authority to act on behalf of the trustee or the manager.

(10.2) Despite subsections (10) and (10.1), if the issuer is an investment fund and the declaration of trust, trust indenture or trust agreement establishing the investment fund delegates the authority to do so, or otherwise authorizes an individual or company to do so, the certificate may be signed by the individual or company to whom the authority is delegated or that is authorized to sign the certificate.

(10.3) Despite subsections (10) and (10.1), if the trustees of an issuer, other than an investment fund, do not perform functions for the issuer similar to those performed by the directors of a company, the trustees are not required to sign the certificate of the issuer provided that at least two individuals who do perform functions for the issuer similar to those performed by the directors of a company sign the certificate.

(11) If the issuer is a limited partnership, a certificate under subsection (8) must be signed by

(a) each individual who performs a function for the issuer similar to any of those performed by the chief executive officer or the chief financial officer of a company, and

(b) each general partner of the issuer.

(11.1) If a general partner of the issuer is

(a) an individual, the individual must sign the certificate,

(b) a company, the certificate must be signed

(i) by the chief executive officer and the chief financial officer of the general partner, and

(ii) on behalf of the board of directors of the general partner, by

(A) any two directors of the general partner, other than the persons referred to in subparagraph (i), or

(B) all of the directors of the general partner,

(c) a limited partnership, the certificate must be signed by each general partner of the limited partnership and, for greater certainty, this subsection applies to each general partner required to sign,

(d) a trust, the certificate must be signed by the trustees of the general partner as described in subsection 10 in relation to an issuer that is a trust, or

(e) not referred to in paragraphs (a) to (d), the certificate may be signed by any person with authority to act on behalf of the general partner.

(12) If an issuer is not a company, trust or limited partnership, a certificate under subsection (8) must be signed by the persons that, in relation to the issuer, are in a similar position or perform a similar function to any of the persons referred to in subsections (9), (10), (10.1), (10.2), (10.3), (11) and (11.1).

(13) A certificate under subsection (8) must be true

(a) at the date the certificate is signed, and

(b) at the date the offering memorandum is delivered to the purchaser.

(14) If a certificate under subsection (8) ceases to be true after it is delivered to the purchaser, the issuer cannot accept an agreement to purchase the security from the purchaser unless

(a) the purchaser receives an update of the offering memorandum,

(b) the update of the offering memorandum contains a newly dated certificate signed in compliance with subsection (9), (10), (10.1), (10.2), (10.3), (11) or (11.1), and

(c) the purchaser re-signs the agreement to purchase the security.

(15) A risk acknowledgement under subsection (1) or (2) must be in the required form and an issuer relying on subsection (1) or (2) must retain the signed risk acknowledgment for 8 years after the trade.

(16) The issuer must

(a) hold in trust all consideration received from the purchaser in connection with a trade in a security under subsection (1) or (2) until midnight on the 2<sup>nd</sup> business day after the purchaser signs the agreement to purchase the security, and

(b) return all consideration to the purchaser promptly if the purchaser exercises the right to cancel the agreement to purchase the security described under subsection (6).

(17) The issuer must file a copy of an offering memorandum delivered under this section and any update of a previously filed offering memorandum with the securities regulatory authority on or before the 10<sup>th</sup> day after the distribution under the offering memorandum or update of the offering memorandum.

(18) If a qualifying issuer uses a form of offering memorandum that allows the qualifying issuer to incorporate previously filed information into the offering memorandum by reference, the qualifying issuer is exempt from the requirement under Regulation 43-101 respecting Standards of Disclosure for Mineral Projects to file a technical report to support scientific or technical information about the qualifying issuer's mineral project in the offering memorandum or incorporated by reference into the offering memorandum if the information about the mineral project is contained in a previously filed technical report under Regulation 43-101 respecting Standards of Disclosure for Mineral Projects.

### **3.10. Minimum amount investment**

(1) The dealer registration requirement does not apply in respect of a trade in a security to a person if

(a) that person purchases as principal,

(b) the security has an acquisition cost to the purchaser of not less than \$150 000 paid in cash at the time of the trade, and

(c) the trade is in a security of a single issuer.

(2) Subsection (1) does not apply to a trade in a security to a person if the person was created, or is used, solely to purchase or hold securities in reliance on this exemption from the dealer registration requirement set out in subsection (1).

## **Division 2 Transaction Exemptions**

### **3.11. Business combination and reorganization**

The dealer registration requirement does not apply in respect of a trade in a security in connection with

(a) an amalgamation, merger, reorganization or arrangement that is under a statutory procedure,

(b) an amalgamation, merger, reorganization or arrangement that

(i) is described in an information circular made pursuant to Regulation 51-102 respecting Continuous Disclosure Obligations or in a similar disclosure record and the information circular or similar disclosure record is delivered to each security holder

whose approval of the amalgamation, merger, reorganization or arrangement is required before it can proceed, and

(ii) is approved by the security holders referred to in subparagraph (i),

or

(c) a dissolution or winding-up of the issuer.

### **3.12. Asset acquisition**

The dealer registration requirement does not apply in respect of a trade by an issuer in a security of its own issue to a person as consideration for the acquisition, directly or indirectly, of the assets of the person, if those assets have a fair value of not less than \$150 000.

### **3.13. Petroleum, natural gas and mining properties**

The dealer registration requirement does not apply in respect of a trade by an issuer in a security of its own issue as consideration for the acquisition, directly or indirectly, of petroleum, natural gas or mining properties or any interest in them.

### **3.14. Securities for debt**

The dealer registration requirement does not apply in respect of a trade by a reporting issuer in a security of its own issue to a creditor to settle a bona fide debt of that reporting issuer.

### **3.15. Issuer acquisition or redemption**

The dealer registration requirement does not apply in respect of a trade in a security to the issuer of the security.

### **3.16. Take-over bid and issuer bid**

The dealer registration requirement does not apply in respect of a trade in a security in connection with a take-over bid in a jurisdiction of Canada or an issuer bid in a jurisdiction of Canada.

### **3.17. Offer to acquire to security holder outside local jurisdiction**

The dealer registration requirement does not apply in respect of a trade by a security holder outside the local jurisdiction to a person in the local jurisdiction if the trade would have been in connection with a take-over bid or issuer bid made by that person were it not for the fact that the security holder is outside of the local jurisdiction.

### DIVISION 3 INVESTMENT FUND EXEMPTIONS

#### 3.18. Investment fund reinvestment

(1) The dealer registration requirement does not apply in respect of the following trades by an investment fund, and the investment fund manager of the fund, to a security holder of the investment fund if the trades are permitted by a plan of the investment fund:

(a) a trade in a security of the investment fund's own issue if a dividend or distribution out of earnings, surplus, capital or other sources payable in respect of the investment fund's securities is applied to the purchase of the security that is of the same class or series as the securities to which the dividend or distribution out of earnings, surplus, capital or other sources is attributable, and

(b) a trade in a security of the investment fund's own issue if the security holder makes an optional cash payment to purchase the security of the investment fund that is of the same class or series of securities described in paragraph (a) that trade on a marketplace.

(2) The aggregate number of securities issued under the optional cash payment referred to in subsection (1) (b) must not exceed, in any financial year of the investment fund during which the trade takes place, 2% of the issued and outstanding securities of the class to which the plan relates as at the beginning of the financial year.

(3) A plan that permits the trades described in subsection (1) must be available to every security holder in Canada to which the dividend or distribution out of earnings, surplus, capital or other sources is available.

(4) A person must not charge a fee for a trade described in subsection (1).

(5) An investment fund that is a reporting issuer and in continuous distribution must set out in its current prospectus:

(a) details of any deferred or contingent sales charge or redemption fee that is payable at the time of the redemption of the security,

(b) any right that the security holder has to make an election to receive cash instead of securities on the payment of a dividend or making of a distribution by the investment fund, and

(c) instructions on how the right referred to in paragraph (b) can be exercised.

(6) An investment fund that is a reporting issuer and is not in continuous distribution must provide the information required by subsection (5) in its prospectus, annual information form or a material change report.

### 3.19. Additional investment in investment funds

The dealer registration requirement does not apply in respect of a trade by an investment fund, or the investment fund manager of the fund, in a security of the investment fund's own issue with a security holder of the investment fund if

(a) the security holder initially acquired securities of the investment fund as principal for an acquisition cost of not less than \$150 000 paid in cash at the time of the trade,

(b) the trade is in respect of a security of the same class or series as the securities initially acquired, as described in paragraph (a), and

(c) the security holder, as at the date of the trade, holds securities of the investment fund that have

(i) an acquisition cost of not less than \$150 000, or

(ii) a net asset value of not less than \$150 000.

### 3.20. Private investment club

The dealer registration requirement does not apply in respect of a trade in a security of an investment fund if the investment fund

(a) has no more than 50 beneficial security holders,

(b) does not seek and has never sought to borrow money from the public,

(c) does not and has never distributed its securities to the public,

(d) does not pay or give any remuneration for investment management or administration advice in respect of trades in securities, except normal brokerage fees, and

(e) for the purpose of financing the operations of the investment fund, requires security holders to make contributions in proportion to the value of the securities held by them.

### **3.21. Private investment fund - loan and trust pools**

(1) The dealer registration requirement does not apply in respect of a trade in a security of an investment fund if the investment fund

(a) is administered by a trust company or trust corporation that is registered or authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada,

(b) has no promoter or investment fund manager other than the trust company or trust corporation referred to in paragraph (a), and

(c) co-mingles the money of different estates and trusts for the purpose of facilitating investment.

(2) Despite subsection (1), a trust company or trust corporation registered under the laws of Prince Edward Island that is not registered under the Trust and Loan Companies Act or under comparable legislation in another jurisdiction of Canada is not a trust company or trust corporation for the purpose of subparagraph (1)(a).

(3) The investment fund manager registration requirement does not apply to a trust company or trust corporation that administers an investment fund referred to in subsection (1).

## **Division 4 Employee, Executive Officer, Director and Consultant Exemptions**

### **3.22. Definitions**

The definitions in Division 4 of Part 2 of this Regulation have the same meaning in this Division.

### **3.23. Interpretation**

(1) In this Division, a person (first person) is considered to control another person (second person) if the first person, directly or indirectly, has the power to direct the management and policies of the second person by virtue of

(a) ownership of or direction over voting securities in the second person,

(b) a written agreement or indenture,

(c) being the general partner or controlling the general partner of the second person, or

(d) being a trustee of the second person.

(2) In this Division, participation in a trade is considered voluntary if

(a) in the case of an employee or the employee's permitted assign, the employee or the employee's permitted assign is not induced to participate in the trade by expectation of employment or continued employment of the employee with the issuer or a related entity of the issuer,

(b) in the case of an executive officer or the executive officer's permitted assign, the executive officer or the executive officer's permitted assign is not induced to participate in the trade by expectation of appointment, employment, continued appointment or continued employment of the executive officer with the issuer or a related entity of the issuer,

(c) in the case of a consultant or the consultant's permitted assign, the consultant or the consultant's permitted assign is not induced to participate in the trade by expectation of engagement of the consultant to provide services or continued engagement of the consultant to provide services to the issuer or a related entity of the issuer, and

(d) in the case of an employee of a consultant, the individual is not induced by the issuer, a related entity of the issuer, or the consultant to participate in the trade by expectation of employment or continued employment with the consultant.

### **3.24. Employee, executive officer, director and consultant**

(1) The dealer registration requirement does not apply in respect of

(a) a trade by an issuer in a security of its own issue, or

(b) a trade by a control person of an issuer in a security of the issuer or in an option to acquire a security of the issuer,

with

(c) an employee, executive officer, director or consultant of the issuer,

(d) an employee, executive officer, director or consultant of a related entity of the issuer, or

(e) a permitted assign of a person referred to in paragraphs (c) or (d)

if participation in the trade is voluntary.



(2) For the purposes of subsection (1), a person referred to in paragraph (c), (d) or (e) includes a trustee, custodian or administrator acting as agent for that person for the purpose of facilitating a trade.

(3) The dealer registration requirement does not apply in respect of an act by a related entity of an issuer in furtherance of a trade referred to in subsection (1).

### **3.25. Unlisted reporting issuer exception**

(1) For the purpose of this section, “unlisted reporting issuer” means a reporting issuer in a jurisdiction of Canada that is not a listed issuer.

(2) Section 3.24 [*Employee, executive officer, director and consultant*] does not apply to a trade to an employee or consultant of the unlisted reporting issuer who is an investor relations person of the issuer, an associated consultant of the issuer, an executive officer of the issuer, a director of the issuer, or a permitted assign of those persons if, after the trade,

(a) the number of securities, calculated on a fully diluted basis, reserved for issuance under options granted to

(i) related persons, exceeds 10% of the outstanding securities of the issuer, or

(ii) a related person, exceeds 5% of the outstanding securities of the issuer, or

(b) the number of securities, calculated on a fully diluted basis, issued within 12 months to

(i) related persons, exceeds 10% of the outstanding securities of the issuer, or

(ii) a related person and the associates of the related person, exceeds 5% of the outstanding securities of the issuer.

(3) Subsection (2) does not apply to a trade if the unlisted reporting issuer

(a) obtains security holder approval, and

(b) before obtaining security holder approval, provides security holders with the following information in sufficient detail to permit security holders to form a reasoned judgment concerning the matter:

- (i) the eligibility of employees, executive officers, directors, and consultants to be issued or granted securities as compensation or under a plan;
- (ii) the maximum number of securities that may be issued, or in the case of options, the number of securities that may be issued on exercise of the options, as compensation or under a plan;
- (iii) particulars relating to any financial assistance or support agreement to be provided to participants by the issuer or any related entity of the issuer to facilitate the purchase of securities as compensation or under a plan, including whether the assistance or support is to be provided on a full-, part-, or non-recourse basis;
- (iv) in the case of options, the maximum term and the basis for the determination of the exercise price;
- (v) particulars relating to the options or other entitlements to be granted as compensation or under a plan, including transferability; and
- (vi) the number of votes attaching to securities that, to the issuer's knowledge at the time the information is provided, will not be included for the purpose of determining whether security holder approval has been obtained.

**3.26. Trades among current or former employees, executive officers, directors, or consultants of non-reporting issuer**

- (1) The dealer registration requirement does not apply in respect of a trade in a security of an issuer by
  - (a) a current or former employee, executive officer, director, or consultant of the issuer or related entity of the issuer, or
  - (b) a permitted assign of a person referred to in paragraph (a),  
to
  - (c) an employee, executive officer, director, or consultant of the issuer or a related entity of the issuer, or
  - (d) a permitted assign of the employee, executive officer, director, or consultant.
- (2) The exemption in subsection (1) is only available if

- (a) participation in the trade is voluntary,
- (b) the issuer of the security is not a reporting issuer in any jurisdiction of Canada, and
- (c) the price of the security being traded is established by a generally applicable formula contained in a written agreement among some or all of the security holders of the issuer to which the transferee is or will become a party.

### 3.27. Permitted transferees

(1) The dealer registration requirement does not apply in respect of a trade in a security of an issuer acquired by a person described in section 3.24(1) [*Employee, executive officer, director and consultant*] under a plan of the issuer if the trade

- (a) is between
  - (i) a person who is an employee, executive officer, director or consultant of the issuer or a related entity of the issuer, and
  - (ii) the permitted assign of that person,or
- (b) is between permitted assigns of that person.

(2) The dealer registration requirement does not apply in respect of a trade in a security of an issuer by a trustee, custodian or administrator acting on behalf, or for the benefit, of employees, executive officers, directors or consultants of the issuer or a related entity of the issuer, to

- (a) an employee, executive officer, director or consultant of the issuer or a related entity of the issuer, or
  - (b) a permitted assign of a person referred to in paragraph (a),
- if the security was acquired from
- (c) an employee, executive officer, director or consultant of the issuer or a related entity of the issuer, or
  - (d) the permitted assign of a person referred to in paragraph (c).

(3) For the purposes of the exemptions in subsection (1) and paragraphs (2) (c) and (d), all references to employee, executive officer, director, or consultant include a former employee, executive officer, director, or consultant.

### **3.28. Resale - non-reporting issuer**

The dealer registration requirement does not apply in respect of the resale of a security that was acquired under this Division or by a person described in section 3.24(1) [*Employee, executive officer, director, and consultant*] if the conditions in section 2.14 of Regulation 45-102 respecting Resale of Securities are satisfied.

## **Division 5 Miscellaneous Exemptions**

### **3.29. Isolated trade**

The dealer registration requirement does not apply in respect of a trade in a security by a person if the trade is an isolated trade and is not made

- (a) by the issuer of the security,
- (b) in the course of continued and successive transactions of a like nature, and
- (c) by a person whose usual business is trading in securities.

### **3.30. Isolated trade by issuer**

The dealer registration requirement does not apply in respect of a trade by an issuer in a security of its own issue if the trade is an isolated trade and is not made

- (a) in the course of continued and successive transactions of a like nature, and
- (b) by a person whose usual business is trading in securities.

### **3.31. Dividends and distributions**

(1) The dealer registration requirement does not apply in respect of a trade by an issuer in a security of its own issue to a security holder of the issuer as a dividend or distribution out of earnings, surplus, capital or other sources.

(2) The dealer registration requirement does not apply in respect of a trade by an issuer to a security holder of the issuer in a security of a reporting issuer as an in specie dividend or distribution out of earnings or surplus.

### **3.32. Trade to lender by control person for collateral**

The dealer registration requirement does not apply in respect of a trade in a security of an issuer to a lender, pledgee, mortgagee or other encumbrancer from the holdings of a control person of the issuer for the purpose of giving collateral for a bona fide debt of the control person.

### **3.33. Acting as underwriter**

The dealer registration requirement does not apply in respect of a trade in a security between a person and a purchaser acting as an underwriter or between or among persons acting as underwriters.

### **3.34. Specified debt**

(1) In this section, “permitted supranational agency” means

(a) the African Development Bank, established by the Agreement Establishing the African Development Bank which came into force on September 10, 1964, that Canada became a member of on December 30, 1982;

(b) the Asian Development Bank, established under a resolution adopted by the United Nations Economic and Social Commission for Asia and the Pacific in 1965;

(c) the Caribbean Development Bank, established by the Agreement Establishing the Caribbean Development Bank which came into force on January 26, 1970, as amended, that Canada is a founding member of;

(d) the European Bank for Reconstruction and Development, established by the Agreement Establishing the European Bank for Reconstruction and Development and approved by the European Bank for Reconstruction and Development Agreement Act, that Canada is a founding member of;

(e) the Inter-American Development Bank, established by the Agreement establishing the Inter-American Development Bank which became effective December 30, 1959, as amended from time to time, that Canada is a member of;

(f) the International Bank for Reconstruction and Development, established by the Agreement for an International Bank for Reconstruction and Development approved by the Bretton Woods and Related Agreements Act; and

(g) the International Finance Corporation, established by Articles of Agreement approved by the Bretton Woods and Related Agreements Act.

- (2) The dealer registration requirement does not apply in respect of a trade in
- (a) a debt security issued by or guaranteed by the Government of Canada or the government of a jurisdiction of Canada,
  - (b) a debt security issued by or guaranteed by a government of a foreign jurisdiction if the debt security has an approved credit rating from an approved credit rating organization,
  - (c) a debt security issued by or guaranteed by a municipal corporation in Canada, or secured by or payable out of rates or taxes levied under the law of a jurisdiction of Canada on property in the jurisdiction and collectable by or through the municipality in which the property is situated,
  - (d) a debt security issued by or guaranteed by a Canadian financial institution or a Schedule III bank, other than debt securities that are subordinate in right of payment to deposits held by the issuer or guarantor of those debt securities,
  - (e) a debt security issued by the Comité de gestion de la taxe scolaire de l'île de Montréal, or
  - (f) a debt security issued by or guaranteed by a permitted supranational agency if the debt securities are payable in the currency of Canada or the United States of America.
- (3) Paragraphs (2)(a) and (c) do not apply in Ontario.

### **3.35. Short-term debt**

The dealer registration requirement does not apply in respect of a trade in a negotiable promissory note or commercial paper maturing not more than one year from the date of issue, if the note or commercial paper traded

- (a) is not convertible or exchangeable into or accompanied by a right to purchase another security other than a security described in this section, and
- (b) has an approved credit rating from an approved credit rating organization.

### **3.36. Mortgages**

(1) In this section, “syndicated mortgage” means a mortgage in which 2 or more persons participate, directly or indirectly, as a lender in a debt obligation that is secured by the mortgage.

(2) Except in Ontario, the dealer registration requirement does not apply in respect of a trade in a mortgage on real property in a jurisdiction of Canada by a person who is registered or licensed, or exempted from registration or licensing, under mortgage brokerage or mortgage dealer legislation of that jurisdiction.

(3) In Alberta, British Columbia, Manitoba, Québec and Saskatchewan, subsection (2) does not apply in respect of a trade in a syndicated mortgage.

### **3.37. Personal property security legislation**

Except in Ontario, the dealer registration requirement does not apply in respect of a trade to a person, other than an individual in a security evidencing indebtedness secured by or under a security agreement, secured in accordance with personal property security legislation of a jurisdiction of Canada that provides for the granting of security in personal property.

### **3.38. Not for profit issuer**

The dealer registration requirement does not apply in respect of a trade by an issuer that is organized exclusively for educational, benevolent, fraternal, charitable, religious or recreational purposes and not for profit in a security of its own issue if

- (a) no part of the net earnings benefit any security holder of the issuer, and
- (b) no commission or other remuneration is paid in connection with the sale of the security.

### **3.39. Variable insurance contract**

(1) In this section,

(a) “contract” “group insurance”, “insurance company”, “life insurance” and “policy” have the respective meanings assigned to them in the legislation for a jurisdiction referenced in Appendix A.

(b) “variable insurance contract” means a contract of life insurance under which the interest of the purchaser is valued for purposes of conversion or surrender by reference to the value of a proportionate interest in a specified portfolio of assets.

(2) The dealer registration requirement does not apply in respect of a trade in a variable insurance contract by an insurance company if the variable insurance contract is

- (a) a contract of group insurance,
- (b) a whole life insurance contract providing for the payment at maturity of an amount not less than 75% of the premium paid up to age 75 years for a benefit payable at maturity,
- (c) an arrangement for the investment of policy dividends and policy proceeds in a separate and distinct fund to which contributions are made only from policy dividends and policy proceeds, or
- (d) a variable life annuity.

#### **3.40. RRSP/RRIF/TFSA**

The dealer registration requirement does not apply in respect of a trade in a security between

- (a) an individual or an associate of the individual, and
- (b) a RRSP, RRIF, or TFSA
  - (i) established for or by the individual, or
  - (ii) under which the individual is a beneficiary.

#### **3.41. Schedule III banks and cooperative associations – evidence of deposit**

Except in Ontario, the dealer registration requirement does not apply in respect of a trade in an evidence of deposit issued by a Schedule III bank or an association governed by the Cooperative Credit Associations Act.

#### **3.42. Conversion, exchange, or exercise**

- (1) The dealer registration requirement does not apply in respect of a trade by an issuer if
  - (a) the issuer trades a security of its own issue to a security holder of the issuer in accordance with the terms and conditions of a security previously issued by that issuer, or
  - (b) the issuer trades a security of a reporting issuer held by it to a security holder of the issuer in accordance with the terms and conditions of a security previously issued by that issuer.



(2) Subsection (1)(b) does not apply unless

(a) the issuer has given the regulator or, in Québec, the securities regulatory authority, prior written notice stating the date, amount, nature and conditions of the trade, and

(b) the regulator or, in Québec, the securities regulatory authority, has not objected in writing to the trade within 10 days of receipt of the notice referred to in paragraph (a) or, if the regulator or securities regulatory authority objects to the trade, the issuer must deliver to the regulator or securities regulatory authority information relating to the securities that is satisfactory to and accepted by the regulator or securities regulatory authority.

### **3.43. Self-directed registered educational savings plans**

The dealer registration requirement does not apply to a trade in a self-directed RESP to a subscriber if

(a) the trade is made by

(i) a dealing representative of a mutual fund dealer who is acting on behalf of the mutual fund dealer,

(ii) a Canadian financial institution, or,

(iii) in Ontario, a financial intermediary, and

(b) the self-directed RESP restricts its investments in securities to securities in which the person who trades the self-directed RESP is permitted to trade.

### **3.44. Registered dealer**

The dealer registration requirement does not apply in respect of a trade by a person acting solely through an agent who is a registered dealer.

### **3.45. Exchange contract**

(1) In Alberta, British Columbia, Québec and Saskatchewan, the dealer registration requirement does not apply in respect of the following trades in exchange contracts:

(a) a trade by a person acting solely through a registered dealer;

(b) a trade resulting from an unsolicited order placed with an individual who is not a resident of and does not carry on business in the jurisdiction;

(c) a trade that may occasionally be transacted by employees of a registered dealer if the employees

(i) do not usually trade in exchange contracts, and

(ii) have been designated by the regulator or, in Québec, the securities regulatory authority, as “non-trading” employees, either individually or as a class.

(2) An individual referred to in subsection (1)(b) must not

(a) advertise or engage in promotional activity that is directed to persons in the jurisdiction during the 6 months preceding the trade, and

(b) pay any commission or finder’s fee to any person in the jurisdiction in connection with the trade.

(3) Subsection (1)(b) does not apply in Saskatchewan.

#### **3.46. Estates, bankruptcies, and liquidations**

The dealer registration requirement does not apply in respect of a trade by a person acting under the authority of

(a) a direction, order or judgment of a court,

(b) a will, or

(c) any law of a jurisdiction

in the course of enforcing legal obligations or administering the affairs of another person.

#### **3.47. Employees of registered dealer**

The dealer registration requirement does not apply in respect of a trade by an employee of a registered dealer in a security if the employee does not usually trade in securities and has been designated or accepted by the regulator or, in Québec, the securities regulatory authority, as a “non-trading” employee, either individually or as a class.

#### **3.48. Small security holder selling and purchase arrangements**

(1) For the purposes of this section

“exchange” means

- (a) TSX Inc.,
- (b) the TSX Venture Exchange Inc., or
- (c) an exchange that
  - (i) has a policy that is substantially similar to the policy of the TSX Inc.,
  - (ii) is designated by the securities regulatory authority for the purpose of this section;

“policy” means

- (a) in the case of the TSX Inc., sections 638 and 639 [*Odd lot selling and purchase arrangements*] of the TSX Company Manual as amended from time to time,
  - (b) in the case of the TSX Venture Exchange Inc., Policy 5.7 Small Shareholder Selling and Purchase Arrangements as amended from time to time, or
  - (c) in the case of an exchange referred to in paragraph (c) of the definition of “exchange”, the rule, policy or other similar instrument of the exchange on small shareholder selling and purchase arrangements.
- (2) The dealer registration requirement does not apply in respect of a trade by an issuer or its agent, in securities of the issuer that are listed on an exchange if
- (a) the trade is an act in furtherance of participation by the holders of the securities in an arrangement that is in accordance with the policy of that exchange,
  - (b) the issuer and its agent do not provide advice to a security holder about the security holder’s participation in the arrangement referred to in paragraph (a), other than a description of the arrangement’s operation, procedures for participation in the arrangement, or both,
  - (c) the trade is made in accordance with the policy of that exchange, without resort to an exemption from, or variation of, the significant subject matter of the policy, and
  - (d) at the time of the trade after giving effect to a purchase under the arrangement, the market value of the maximum number of securities that a security holder is permitted to hold in order to be eligible to participate in the arrangement is not more than \$25 000.
- (3) For the purposes of subsection (2)(c), an exemption from, or variation of, the maximum number of securities that a security holder is permitted to hold under a policy in

order to be eligible to participate in the arrangement provided for in the policy is not an exemption from, or variation of, the significant subject matter of the policy.

### 3.49. Adviser

The adviser registration requirement does not apply to

(a) the following persons if performance of services as an adviser are incidental to their principal business or occupation:

(i) a Canadian financial institution and a Schedule III bank;

(ii) the Business Development Bank of Canada continued under the Business Development Bank of Canada Act;

(iii) a société d'entraide économique or the Fédération des sociétés d'entraide économique du Québec governed by the Act respecting the sociétés d'entraide économique (R.S.Q. c. S. 25.1);

(iv) a lawyer, accountant, engineer or teacher, or, in Québec, a notary, if that individual

A) does not recommend securities of an issuer in which that individual has an interest, and

B) does not receive remuneration for the performance of services as an adviser separate from remuneration received by that individual for practicing in their professions;

(v) a registered dealer or any partner, officer or employee of a registered dealer;

or

(b) a publisher or a writer for a newspaper, news magazine or business or financial journal or periodical, however delivered, that is of general and regular paid circulation, and only available to subscribers for value, or purchasers of it, if the publisher or writer

(i) gives advice only through the written publication,

(ii) has no interest either directly or indirectly in any of the securities on which that individual gives advice, and

(iii) receives no commission or other consideration for giving the advice other than for acting in that person's capacity as a publisher or writer.

### **3.50. Investment dealer acting as portfolio manager**

(1) The adviser registration requirement does not apply to a registered investment dealer who manages the investment portfolios of its clients through discretionary authority granted by the clients if the investment dealer is a member of the Investment Industry Regulatory Organization of Canada and the advising activities are conducted in accordance with the rules of the Investment Industry Regulatory Organization of Canada.

(2) Any partner, director, officer or employee of a registered investment dealer referred to in subsection (1) who manages an investment portfolio for the registered investment dealer must be registered under the securities legislation of the jurisdiction to trade in securities.

## **PART 4 CONTROL BLOCK DISTRIBUTIONS**

### **4.1. Control block distributions**

(1) In this Part

“control block distribution” means a trade to which the provisions of securities legislation listed in Appendix B apply.

(2) Terms defined or interpreted in Regulation 62-103 respecting the Early Warning System and Related Takeover Bid and Insider Reporting Issues, adopted pursuant to decision No. 2003-C-0109 dated March 18, 2003 and used in this Part have the same meaning as is assigned to them in that Regulation.

(3) The prospectus requirement does not apply to a control block distribution by an eligible institutional investor of a reporting issuer's securities if

(a) the eligible institutional investor

(i) has filed the reports required under the early warning requirements or files the reports required under Part 4 of Regulation 62-103 respecting the Early Warning System and Related Takeover Bid and Insider Reporting Issues,

(ii) does not have knowledge of any material fact or material change with respect to the reporting issuer that has not been generally disclosed,

(iii) does not receive in the ordinary course of its business and investment activities knowledge of any material fact or material change with respect to the reporting issuer that has not been generally disclosed, and

(iv) either alone or together with any joint actors, does not possess effective control of the reporting issuer,

(b) there are no directors or officers of the reporting issuer who were, or could reasonably be seen to have been, selected, nominated or designated by the eligible institutional investor or any joint actor,

(c) the control block distribution is made in the ordinary course of business or investment activity of the eligible institutional investor,

(d) securities legislation would not require the securities to be held for a specified period of time if the trade was not a control block distribution,

(e) no unusual effort is made to prepare the market or to create a demand for the securities, and

(f) no extraordinary commission or consideration is paid in respect of the control block distribution.

(4) An eligible institutional investor that makes a distribution in reliance on subsection (3) must file a letter within 10 days after the distribution that describes the date and size of the distribution, the market on which it was made and the price at which the securities being distributed were sold.

#### **4.2. Distributions by a control person after a take-over bid**

(1) The prospectus requirement does not apply to a distribution in a security from the holdings of a control person acquired under a take-over bid for which a take-over bid circular was issued and filed if

(a) the issuer whose securities are being acquired under the take-over bid has been a reporting issuer for at least 4 months at the date of the take-over bid,

(b) the intention to make the distribution is disclosed in the take-over bid circular issued in respect of the take-over bid,

(c) the distribution is made within the period beginning on the date of the expiry of the bid and ending 20 days after that date,

(d) a notice of intention to distribute securities in Form 45-102F1, Notice of Intention to Distribute Securities under Section 2.8 of Regulation 45-102 respecting Resale of Securities under Regulation 45-102 is filed before the distribution,

(e) an insider report of the distribution in Form 55-102F2, Insider Report or Form 55-102F6, Insider Report, as applicable, under National Instrument 55-102, System for Electronic Disclosure by Insiders (SEDI), adopted pursuant to decision No. 2003-C-0069 dated March 3, 2003, is filed within 3 days after the completion of the distribution,

(f) no unusual effort is made to prepare the market or to create a demand for the security, and

(g) no extraordinary commission or consideration is paid in respect of the distribution.

(2) A control person referred to in subsection (1) is not required to comply with subsection (1) (b) if

(a) another person makes a competing take-over bid for securities of the issuer for which the take-over bid circular is issued, and

(b) the control person sells those securities to that other person for a consideration that is not greater than the consideration offered by that other person under its take-over bid.

## **PART 5 OFFERINGS BY TSX VENTURE EXCHANGE OFFERING DOCUMENT**

### **5.1. Application and interpretation**

(1) This Part does not apply in Ontario.

(2) In this Part

“exchange policy” means Exchange Policy 4.6 - Public Offering by Short Form Offering Document and Exchange Form 4H - Short Form Offering Document, of the TSX Venture Exchange as amended from time to time;

“gross proceeds” means the gross proceeds that are required to be paid to the issuer for listed securities distributed under a TSX Venture exchange offering document;

“listed security” means a security of a class listed on the TSX Venture Exchange;

“prior exchange offering” means a distribution of securities by an issuer under a TSX Venture exchange offering document that was completed during the 12-month period immediately preceding the date of the TSX Venture exchange offering document;

“subsequently triggered report” means a material change report that must be filed no later than 10 days after a material change under securities legislation as a result of a material change that occurs after the date the TSX Venture exchange offering document is certified but before a purchaser enters into an agreement of purchase and sale;

“TSX Venture Exchange” means the TSX Venture Exchange Inc.;

“TSX Venture exchange offering document” means an offering document that complies with the exchange policy;

“warrant” means a warrant of an issuer distributed under a TSX Venture exchange offering document that entitles the holder to acquire a listed security or a portion of a listed security of the same issuer.

## **5.2. TSX Venture Exchange offering**

The prospectus requirement does not apply to a distribution by an issuer in a security of its own issue if

- (a) the issuer has filed an AIF in a jurisdiction of Canada,
- (b) the issuer is a SEDAR filer,
- (c) the issuer is a reporting issuer in a jurisdiction of Canada and has filed in a jurisdiction of Canada
  - (i) a TSX Venture exchange offering document,
  - (ii) all documents required to be filed under the securities legislation of that jurisdiction, and
  - (iii) any subsequently triggered report,
- (d) the distribution is of listed securities or units consisting of listed securities and warrants,
- (e) the issuer has filed with the TSX Venture Exchange a TSX Venture exchange offering document in respect of the distribution, that
  - (i) incorporates by reference the following documents of the issuer filed with the securities regulatory authority in any jurisdiction of Canada:



- A) the AIF,
- B) the most recent annual financial statements and the MD&A relating to those financial statements,
- C) all unaudited interim financial statements and the MD&A relating to those financial statements, filed after the date of the AIF but before or on the date of the TSX Venture exchange offering document,
- D) all material change reports filed after the date of the AIF but before or on the date of the TSX Venture exchange offering document, and
- E) all documents required under Regulation 43-101 respecting Standards of Disclosure for Mineral Projects and Regulation 51-101 respecting Standards of Disclosure for Oil and Gas Activities, approved by Ministerial Order No. 2005-15 dated August 2, 2005, filed on or after the date of the AIF but before or on the date of the TSX Venture exchange offering document,
  - (ii) deems any subsequently triggered report required to be delivered to a purchaser under this Part to be incorporated by reference,
  - (iii) grants to purchasers contractual rights of action in the event of a misrepresentation, as required by the exchange policy,
  - (iv) grants to purchasers contractual rights of withdrawal, as required by the exchange policy, and
  - (v) contains all the certificates required by the exchange policy,
- (f) the distribution is conducted in accordance with the exchange policy,
- (g) the issuer or the underwriter delivers the TSX Venture exchange offering document and any subsequently triggered report to each purchaser
  - (i) before the issuer or the underwriter enters into the written confirmation of purchase and sale resulting from an order or subscription for securities being distributed under the TSX Venture exchange offering document, or
  - (ii) not later than midnight on the 2nd business day after the agreement of purchase and sale is entered into,
- (h) the listed securities issued under the TSX Venture exchange offering document, when added to the listed securities of the same class issued under prior exchange offerings, do not exceed

(i) the number of securities of the same class outstanding immediately before the issuer distributes securities of the same class under the TSX Venture exchange offering document, or

(ii) the number of securities of the same class outstanding immediately before a prior exchange offering,

(i) the gross proceeds under the TSX Venture exchange offering document, when added to the gross proceeds from prior exchange offerings do not exceed \$2 million,

(j) no purchaser acquires more than 20% of the securities distributed under the TSX Venture exchange offering document, and

(k) no more than 50% of the securities distributed under the TSX Venture exchange offering document are subject to section 2.5 of Regulation 45-102 respecting Resale of Securities.

### **5.3. Underwriter obligations**

An underwriter that qualifies as a “sponsor” under TSX Venture Exchange Policy 2.2 - Sponsorship and Sponsorship Requirements as amended from time to time must sign the TSX Venture exchange offering document and comply with TSX Venture Exchange Appendix 4A - Due Diligence Report in connection with the distribution.

## **PART 6 REPORTING REQUIREMENTS**

### **6.1. Report of exempt distribution**

(1) Issuers that distribute their own securities and underwriters that distribute securities they acquired under section 2.33 must file a report if they make the distribution under one or more of the following exemptions:

(a) section 2.3 [*Accredited investor*];

(b) section 2.5 [*Family, friends and business associates*];

(c) subsection 2.9 (1) or (2) [*Offering memorandum for Alberta, B.C., Manitoba, New Brunswick, Nova Scotia, Newfoundland and Labrador, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon*];

(d) section 2.10 [*Minimum amount investment*];

- (e) section 2.12 [*Asset acquisition*];
- (f) section 2.13 [*Petroleum, natural gas and mining properties*];
- (g) section 2.14 [*Securities for debt*];
- (h) section 2.19 [*Additional investment in investment funds*];
- (i) section 2.30 [*Isolated distribution by issuer*];
- (j) section 5.2 [*TSX Venture Exchange offering*].

(2) The issuer or underwriter must file the report in the jurisdiction where the distribution takes place no later than 10 days after the distribution.

## **6.2. When report not required**

(1) An issuer is not required to file a report under section 6.1(a) [*Report of exempt distribution*] for a distribution of a debt security of its own issue or, concurrently with the distribution of the debt security, an equity security of its own issue, to a Canadian financial institution or a Schedule III bank.

(2) An investment fund is not required to file a report under section 6.1 [*Report of exempt distribution*] for a distribution under section 2.3 [*Accredited investor*], section 2.10 [*Minimum amount*] or section 2.19 [*Additional investment in investment funds*] if the investment fund files the report not later than 30 days after the financial year-end of the investment fund.

## **6.3. Required form of report of exempt distribution**

(1) The required form of report under section 6.1 [*Report of exempt distribution*] is Form 45-106F1.

(2) Except in Manitoba, an issuer that makes a distribution under an exemption from a prospectus requirement not provided for in this Regulation is exempt from the requirements in securities legislation to file a report of exempt trade or exempt distribution in the required form if the issuer files a report of exempt distribution in accordance with Form 45-106F1.

## **6.4. Required form of offering memorandum**

(1) The required form of offering memorandum under section 2.9 or section 3.9 [*Offering memorandum*] is Form 45-106F2.

(2) Despite subsection (1), a qualifying issuer may prepare an offering memorandum in accordance with Form 45-106F3.

#### **6.5. Required form of risk acknowledgement**

(1) The required form of risk acknowledgement under subsection 2.9(12) or subsection 3.9(12) [*Offering memorandum*] is Form 45-106F4.

(2) In Saskatchewan, the required form of risk acknowledgement under section 2.6 or section 3.6 [*Family, friends and business associates*] is Form 45-106F5.

### **PART 7 EXEMPTION**

#### **7.1. Exemption**

(1) The regulator or the securities regulatory authority may grant an exemption to this Regulation, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

(2) In Ontario, only the regulator may grant an exemption and only from Part 6, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

(3) Except in Ontario, an exemption referred to in subsection (1) is granted under the statute referred to in Appendix B of Regulation 14-101 respecting Definitions, adopted pursuant to decision No. 2001-C-0274 dated June 12, 2001, opposite the name of the local jurisdiction.

### **PART 8 TRANSITIONAL, COMING INTO FORCE**

#### **8.1. Additional investment – investment funds – exemption from prospectus requirement**

(1) The prospectus requirement does not apply to a distribution by an investment fund in a security of its own issue to a purchaser that initially acquired the security as principal before this Instrument came into force if

(a) the security was initially acquired under any of the following provisions:

(i) in Alberta, sections 86(e) and 131(1)(d) of the Securities Act (R.S.A. 2000, c. S-4) as they existed prior to their repeal by sections 9(a) and 13 of the Securities Amendment Act (Alberta), 2003 SA c.32 and sections 66.2 and 122.2 of the Alberta Securities Commission Rules (General) (Alta. Reg. 46/87);

- (ii) in British Columbia, sections 45(2) (5) and (22), and 74(2) (4) and (19) of the Securities Act (R.S.B.C. 1996, ch. 418),
  - (iii) in Manitoba, sections 19(3) and 58(1)(a) of the Securities Act (C.C.S.M. c. S50) and section 90 of the Securities Regulation MR 491/88R;
  - (iv) in New Brunswick, section 2.8 of Local Rule 45-501 Prospectus and Registration Exemptions;
  - (v) in Newfoundland and Labrador, sections 36(1)(e) and 73(1)(d) of the Securities Act;
  - (vi) in Nova Scotia, sections 41(1)(e) and 77(1)(d) of the Securities Act (R.S.N.S. 1989, c. 418);
  - (vii) in Northwest Territories, section 3(c) and (z) of Blanket Order No. 1;
  - (viii) in Nunavut, section 3(c) and (z) of Blanket Order No. 1;
  - (ix) in Ontario, sections 35(1)5 and 72(1)(d) of the Securities Act and section 2.12 of Ontario Securities Commission Rule 45-501 Exempt Distributions ((2004) 27 OSCB 433) that came into force on January 12, 2004;
  - (x) in Prince Edward Island, section 2(3)(d) of the Securities Act (R.S.P.E.I. 1988, c. S-3) and Prince Edward Island Local Rule 45-512 - Exempt Distributions - Exemption for Purchase of Mutual Fund Securities;
  - (xi) in Québec, section 51 and 155.1(2) of the Securities Act (Québec);
  - (xii) in Saskatchewan, sections 39(1)(e) and 81(1)(d) of the The Securities Act, 1988 (S.S. 1988, c. S-42.2);
- (b) the distribution is of a security of the same class or series as the initial distribution, and
- (c) the security holder, as at the date of the distribution, holds securities of the investment fund that have
- (i) an acquisition cost of not less than the minimum amount prescribed by securities legislation referred to in paragraph (a) under which the initial distribution was conducted, or

(ii) a net asset value of not less than the minimum amount prescribed by securities legislation referred to in paragraph (a) under which the initial distribution was conducted.

### **8.1.1. Additional investment - investment funds – exemption from registration requirement**

(1) After March 27, 2010, this section 8.1.1 does not apply in any jurisdiction.

(2) The dealer registration requirement does not apply in respect of a trade by an investment fund in a security of its own issue to a purchaser that initially acquired the security as principal before this Regulation came into force if

(a) the security was initially acquired under any of the following provisions:

(i) in Alberta, sections 86(e) and 131(1)(d) of the Securities Act as they existed prior to their repeal by sections 9(a) and 13 of the Securities Amendment Act 2003 (S.A. 2003, c.32) and sections 66.2 and 122.2 of the Alberta Securities Commission Rules (General);

(ii) in British Columbia, sections 45(2) (5) and (22), and 74(2) (4) and (19) of the Securities Act;

(iii) in Manitoba, sections 19(3) and 58(1)(a) of the Securities Act and section 90 of the Securities Regulation MR 491/88R;

(iv) in New Brunswick, section 2.8 of Local Rule 45-501 Prospectus and Registration Exemptions;

(v) in Newfoundland and Labrador, sections 36(1)(e) and 73(1)(d) of the Securities Act;

(vi) in Nova Scotia, sections 41(1)(e) and 77(1)(d) of the Securities Act;

(vii) in Northwest Territories, section 3(c) and (z) of Blanket Order No. 1 of the Northwest Territories Securities Registry;

(viii) in Nunavut, section 3(c) and (z) of Blanket Order No. 1 of the Registrar of Securities;

(ix) in Ontario, sections 35(1)5 and 72(1)(d) of the Securities Act and section 2.12 of Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on January 12, 2004;

(x) in Prince Edward Island, section 2(3)(d) of the Securities Act and Prince Edward Island Local Rule 45-512 – Exempt Distributions – Exemption for Purchase of Mutual Fund Securities of the Securities Office;

(xi) in Québec, former section 51 and former paragraph 155.1(2) of the Securities Act;

(xii) in Saskatchewan, sections 39(1)(e) and 81(1)(d) of the The Securities Act, 1988;

(b) the trade is for a security of the same class or series as the initial trade, and

(c) the security holder, as at the date of the trade, holds securities of the investment fund that have

(i) an acquisition cost of not less than the minimum amount prescribed by securities legislation referred to in paragraph (a) under which the initial trade was conducted, or

(ii) a net asset value of not less than the minimum amount prescribed by securities legislation referred to in paragraph (a) under which the initial trade was conducted.

## **8.2. Definition of “accredited investor” – investment fund**

An investment fund that distributed its securities to persons pursuant to any of the following provisions is an investment fund under paragraph (n)(ii) of the definition of “accredited investor”:

(a) in Alberta, sections 86(e) and 131(1)(d) of the Securities Act as they existed prior to their repeal by sections 9(a) and 13 of the Securities Amendment Act and sections 66.2 and 122.2 of the Alberta Securities Commission Rules (General);

(b) in British Columbia, sections 45(2) (5) and (22), and 74(2) (4) and (19) of the Securities Act;

(c) in Manitoba, sections 19(3) and 58(1)(a) of the Securities Act and section 90 of the Securities Regulation MR 491/88R;

(d) in New Brunswick, section 2.8 of Local Rule 45-501 Prospectus and Registration Exemptions;

(e) in Newfoundland and Labrador, sections 36(1)(e) and 73(1)(d) of the Securities Act;

- (f) in Nova Scotia, sections 41(1)(e) and 77(1)(d) of the Securities Act;
- (g) in Northwest Territories, section 3(c) and (z) of Blanket Order No. 2;
- (h) in Nunavut, section 3(c) and (z) of Blanket Order No. 3;
- (i) in Ontario, sections 35(1)5 and 72(1)(d) of the Securities Act and section 2.12 of Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on January 12, 2004;
- (j) in Prince Edward Island, section 2(3)(d) of the Securities Act (Prince Edward Island) and Prince Edward Island Local Rule 45-512 -Exempt Distributions - Exemption for Purchase of Mutual Fund Securities;
- (k) in Québec, former section 51 and former paragraph 155.1(2) of the Securities Act;
- (l) in Saskatchewan, sections 39(1)(e) and 81(1)(d) of the The Securities Act, 1988.

### **8.3. Transition – Closely-held issuer – exemption from prospectus requirement**

(1) In this section,

“2001 OSC Rule 45-501” means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on November 30, 2001;

“2004 OSC Rule 45-501” means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on January 12, 2004;

“closely-held issuer” has the same meaning as in 2004 OSC Rule 45-501;

(2) The prospectus requirement does not apply to a distribution of a security that was previously distributed by a closely-held issuer under section 2.1 of 2001 OSC Rule 45-501, or under section 2.1 of 2004 OSC Rule 45-501, to a person who purchases the security as principal and is

- (a) a director, officer, employee, founder or control person of the issuer,
- (b) a spouse, parent, grandparent, brother, sister or child of a director, executive officer, founder or control person of the issuer,
- (c) a parent, grandparent, brother, sister or child of the spouse of a director, executive officer, founder or control person of the issuer,



- (d) a close personal friend of a director, executive officer, founder or control person of the issuer,
- (e) a close business associate of a director, executive officer, founder or control person of the issuer,
- (f) a spouse, parent, grandparent, brother, sister or child of the selling security holder or of the selling security holder's spouse,
- (g) a security holder of the issuer,
- (h) an accredited investor,
- (i) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (a) to (h),
- (j) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (a) to (h), or
- (k) a person that is not the public.

### **8.3.1. Transition - Closely-held issuer – exemption from registration requirement**

- (1) After March 27, 2010, this section 8.3.1 does not apply in any jurisdiction.
- (2) In this section,

“2001 OSC Rule 45-501” means the Ontario Securities Commission Rule 45-501 Exempt Distributions ((2001) 24 OSCB 7011) that came into force on November 30, 2001;

“2004 OSC Rule 45-501” means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on January 12, 2004;

“closely-held issuer” has the same meaning as in 2004 OSC Rule 45-501;

- (3) The dealer registration requirement does not apply in respect of a trade in a security that was previously distributed by a closely-held issuer under section 2.1 of 2001 OSC Rule 45-501 or under section 2.1 of 2004 OSC Rule 45-501 to a person who purchases the security as principal and is
  - (a) a director, officer, employee, founder or control person of the issuer,
  - (b) a spouse, parent, grandparent, brother, sister or child of a director, executive officer, founder or control person of the issuer,

- (c) a parent, grandparent, brother, sister or child of the spouse of a director, executive officer, founder or control person of the issuer,
- (d) a close personal friend of a director, executive officer, founder or control person of the issuer,
- (e) a close business associate of a director, executive officer, founder or control person of the issuer,
- (f) a spouse, parent, grandparent, brother, sister or child of the selling security holder or of the selling security holder's spouse,
- (g) a security holder of the issuer,
- (h) an accredited investor,
- (i) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (a) to (h),
- (j) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (a) to (h), or
- (k) a person that is not the public.

#### **8.4. Transition – reinvestment plan**

Despite subsection 2.2(5) or 3.2(5), if an issuer's reinvestment plan was established before September 28, 2009, and provides for the distribution of a security that is of a different class or series than the class or series of the security to which the dividend or distribution is attributable, the issuer or the trustee, custodian or administrator of the plan must provide to each person who is already a participant the description of the material attributes and characteristics of the securities traded under the plan or notice of a source from which the participant can obtain the information not later than 140 days after the next financial year end of the issuer ending on or after September 28, 2009.

#### **8.5. Application of Part 3 of this Regulation**

On March 27, 2010, Part 3 does not apply in any jurisdiction.

**8.6. Repeal of former regulation**

This Regulation replaces Regulation 45-106 respecting Prospectus and Registration Exemptions approved by Ministerial Order No. 2005-20 dated August 12, 2005.

**8.7. Effective date**

- (1) Except in Ontario, this Regulation comes into force on September 28, 2009.
- (2) In Ontario, this Regulation comes into force on the later of the following:
  - (a) September 28, 2009;
  - (b) the day on which sections 5 and 11, subsection 12(1) and section 13 of Schedule 26 of the Budget Measures Act, 2009 are proclaimed into force.

**APPENDIX A  
VARIABLE INSURANCE CONTRACT EXEMPTION**

**(section 2.39)**

**JURISDICTION**

**LEGISLATION REFERENCE**

**ALBERTA**

“contract of insurance”, “group insurance”, “life insurance”, and “policy” have the respective meanings assigned to them under the Insurance Act (R.S.A. 2000, c. I-3) and the regulations under that Act.

“insurance company” means an insurer as defined in the Insurance Act that is licensed under that Act.

**BRITISH COLUMBIA**

“contract”, “group insurance”, and “policy” have the respective meanings assigned to them under the Insurance Act (R.S.B.C. 1996, c. 226) and the regulations under that Act.

“life insurance” has the respective meaning assigned to it under the Financial Institutions Act (R.S.B.C. 1996, c. 141) and the regulations under that Act.

“insurance company” means an insurance company, or an extraprovincial insurance corporation, authorized to carry on insurance business under the Financial Institutions Act (R.S.B.C. 1996, c. 141).

**MANITOBA**

“contract of insurance”, “group insurance”, “life insurance”, and “policy” have the respective meanings assigned to them under the Insurance Act (C.C.S.M. c. I40) and the regulations under that Act.

“insurance company” means an insurer as defined in the Insurance Act that is licensed under that Act.

**NEW BRUNSWICK**

“contract of insurance”, “group insurance”, “life insurance”, and “policy” have the respective meanings assigned to them under the Insurance Act (R.S.N.B. 1973, c. I-12) and the regulations under that Act.

“insurance company” means an insurer as defined in the Insurance Act that is licensed under that Act.

NORTHWEST TERRITORIES	<p>“contract”, “group insurance”, “life insurance”, and “policy” have the respective meanings assigned to them under the Insurance Act (R.S.N.W.T. 188, c. I-4).</p> <p>“insurance company” means an insurer as defined in the Insurance Act that is licensed under that Act.</p>
NOVA SCOTIA	<p>“contract”, “group insurance”, “life insurance”, and “policy” have the respective meanings assigned to them under the Insurance Act (R.S.N.S. 1989, c. 231) and the regulations under that Act.</p> <p>“insurance company” has the same meaning as in section 3(1)(a) of the General Securities Rules (N.S. Reg. 51/96).</p>
ONTARIO	<p>“contract”, “group insurance”, and “policy” have the respective meanings assigned to them in section 1 and 171 of the Insurance Act (R.S.O. 1990, c. I-8).</p> <p>“life insurance” has the respective meaning assigned to it in Schedule 1 by Order of the Superintendent of Financial Services.</p> <p>“insurance company” has the same meaning as in section 1(2) of the General Regulation (R.R.O. 1990, Reg. 1015).</p>
QUÉBEC	<p>“contract of insurance”, “group insurance”, “life insurance”, and “policy” have the respective meanings assigned to them under the Civil Code of Québec (S.Q. 1991, c. 64).</p> <p>“insurance company” means an insurer holding a license under the Act respecting insurance (R.S.Q., c. A-32).</p>

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PRINCE EDWARD ISLAND	<p>“contract”, “group insurance”, “insurer”, “life insurance and “policy” have the respective meanings assigned to them in sections 1 and 174 of the Insurance Act (R.S.P.E.I. 1988, C. I-4).</p> <p>“insurance company” means an insurance company licensed under the Insurance Act.</p>
SASKATCHEWAN	<p>“contract”, “life insurance” and “policy” have the respective meanings assigned to them in section 2 of The Saskatchewan Insurance Act (S.S. 1978, c. S-26).</p> <p>“group insurance” has the respective meaning assigned to it in section 133 of The Saskatchewan Insurance Act.</p> <p>“insurance company” means an issuer licensed under The Saskatchewan Insurance Act.</p>
YUKON	<p>“contract”, “group”, “life insurance” and “policy” have the respective meanings assigned to them under the Insurance Act (R.S.Y. 2002, c. 119) and the regulations made under that Act.</p> <p>“insurance company” means an insurer as defined in the Insurance Act that is licensed under that Act.</p>

**APPENDIX B  
CONTROL BLOCK DISTRIBUTIONS****(Part 4)**

<b>JURISDICTION</b>	<b>SECURITIES LEGISLATION REFERENCE</b>
ALBERTA	Section 1(p)(iii) of the Securities Act
BRITISH COLUMBIA	Paragraph (c) of the definition of “distribution” contained in section 1 of the Securities Act
MANITOBA	Section 1(b) of the definition of “primary distribution to the public” contained in subsection 1(1) of the Securities Act
NEW BRUNSWICK	Paragraph (c) of the definition of “distribution” contained in section 1(1) of the Securities Act (S.N.B. 2004, c. S-5.5)
NEWFOUNDLAND AND LABRADOR	Section 2(1)(1)(iii) of the Securities Act
NORTHWEST TERRITORIES	Paragraph (c) of the definition of “distribution” in subsection 1(1) of the Securities Act (R.S.N.W.T. 1988, c. S-5)
NOVA SCOTIA	Section 2(1)(1)(iii) of the Securities Act
ONTARIO	Paragraph (c) of the definition of “distribution” contained in subsection 1(1) of the Securities Act
PRINCE EDWARD ISLAND	Section 1(f)(iii) of the Securities Act
QUÉBEC	Paragraph 9 of the definition of “distribution” contained in section 5 of the Securities Act
SASKATCHEWAN	Section 2(1)(r)(iii) of The Securities Act, 1988
YUKON	Paragraph (c) of the definition of “distribution” in subsection 1(1) of the Securities Act (R.S.Y. 2002, c. 201)

**FORM 45-106F1  
REPORT OF EXEMPT DISTRIBUTION**

This is the form required under section 6.1 of Regulation 45-106 respecting Prospectus and Registration Exemptions for a report of exempt distribution.

**Issuer/underwriter information**

**Item 1:** State the full name of the issuer of the security distributed and the address and telephone number of its head office. If the issuer of the security distributed is an investment fund, state the name of the fund as the issuer, and provide the full name of the manager of the investment fund and the address and telephone number of the head office of the manager. Include the former name of the issuer if its name has changed since last report. If an underwriter is completing this form, also state the full name of the underwriter and the address and telephone number of the head office of the underwriter.

**Item 2:** State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

**Item 3:** Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.

Bio-tech

Financial Services

investment companies and funds

mortgage investment

companies

Forestry

Hi-tech

Industrial

Mining

exploration/development

production

Oil and gas

Real estate

Utilities

Other (describe)

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### Details of distribution

**Item 4:** Complete Schedule I to this report. Schedule I is designed to assist in completing the remainder of this report.

**Item 5:** State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state all distribution dates.

**Item 6:** For each security distributed:

describe the type of security,

state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and

state the exemption(s) relied on.

**Item 7:** Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table, securities issued as payment for commissions or finder's fees disclosed under item 8, below.

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) <sup>1</sup>	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
<b>Total number of Purchasers</b>			
<b>Total dollar value of distribution in all jurisdictions (Canadian \$)</b>			

**Note 1:** If securities are issued at different prices list the highest and lowest price the securities were sold for.

### Commissions and finder's fees

**Item 8:** Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

If the securities being issued as compensation are or include convertible securities, such as warrants or options, please add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Compensation paid or to be paid (cash and/or securities)				
	Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
		Number and type of securities issued	Price per security	Exemption relied on and date of distribution	

**Item 9:** If a distribution is made in Ontario, please include the attached "Authorization of Indirect Collection of Personal Information for Distributions in Ontario". The "Authorization of Indirect Collection of Personal Information for Distributions in Ontario" is only required to be filed with the Ontario Securities Commission.

**Certificate**

On behalf of the [issuer/underwriter], I certify that the statements made in this report are true.

Date: \_\_\_\_\_

\_\_\_\_\_  
Name of [issuer/underwriter] (please print)

\_\_\_\_\_  
Print name, title and telephone number of person signing

\_\_\_\_\_  
Signature

***INSTRUCTION***

*The person filing the form must complete the bracketed information by deleting the inappropriate word.*

**Item 10:** State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.**

**Notice - Collection and use of personal information**

The personal information required under this form is collected on behalf of and used by the securities regulatory authorities or, where applicable, the regulators under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or, where applicable, the regulator in the jurisdiction(s) where the form is filed, at the address(es) listed at the end of this report.

**Authorization of Indirect Collection of Personal Information for Distributions in Ontario**

The attached Schedule I contains personal information of purchasers and details of the distribution(s). The issuer/underwriter hereby confirms that each purchaser listed in Schedule I of this report who is resident in Ontario

(a) has been notified by the issuer/underwriter

(i) of the delivery to the Ontario Securities Commission of the information pertaining to the person as set out in Schedule I,

(ii) that this information is being collected indirectly by the Ontario Securities Commission under the authority granted to it in securities legislation,

(iii) that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and

(iv) of the title, business address and business telephone number of the public official of the local jurisdiction, as set out in this report, who can answer questions about the Ontario Securities Commission's indirect collection of the information, and

(b) has authorized the indirect collection of the information by the Ontario Securities Commission.

**Schedule I**

Complete the following table.

For reports filed under sub-section 6.1(1)(j) (TSX Venture Exchange offering) of Regulation 45-106 respecting Prospectus and Registration Exemptions the following table only needs to list the total number of purchasers by jurisdiction instead of including the name, residential address and telephone number of each purchaser.

Do not include in this table, securities issued as payment of commissions or finder's fees disclosed under item 8 of this report.

**The information in this schedule will not be placed on the public file of any securities regulatory authority or, where applicable, regulator.** However, freedom of information legislation in certain jurisdictions may require the securities regulatory authority or, where applicable, regulator to make this information available if requested.

Full name, residential address and telephone number of purchaser	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution

**Instructions:**

1. References to a purchaser in this report are to the beneficial owner of the securities.
2. File this report and the applicable fee in each jurisdiction in which a distribution is made at the addresses listed at the end of this report. If the distribution is made in more than one jurisdiction, the issuer/underwriter must complete a single report identifying all purchasers and file that report in each of the jurisdictions in which the distribution is made. Filing fees associated with the filing of the report are not affected by identifying all purchasers in a single report.
3. If the space provided for any answer is insufficient, additional sheets may be used and must be cross-referenced to the relevant part and properly identified and signed by the person whose signature appears on the report.
4. One report may be used for multiple distributions occurring within 10 days of each other provided that the report is filed on or before the 10<sup>th</sup> day following the first of such distributions.
5. The information in items 5, 6, and 7 must reconcile with the information in Schedule I of Form 45-106F1. All dollar amounts must be in Canadian dollars.
6. In order to determine the applicable fee, consult the securities legislation of each jurisdiction in which a distribution is made.
7. This report must be filed in English or in French. In Québec, the issuer/underwriter must comply with linguistic obligations and rights prescribed by Québec law.

**Securities Regulatory Authorities and Regulators****British Columbia Securities Commission**

P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, British Columbia V7Y 1L2  
Telephone: 604-899-6500  
Toll free in British Columbia and Alberta 1-800-373-6393  
Facsimile: 604-899-6506

**Alberta Securities Commission**

4th Floor, 300 – 5<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 3C4  
Telephone: 403-297-6454  
Facsimile: 403-297-6156

**Saskatchewan Financial Services Commission**

Suite 601 - 1919 Saskatchewan Drive  
Regina, Saskatchewan S4P 4H2  
Telephone: 306-787-5879  
Facsimile: 306-787-5899

**The Manitoba Securities Commission**

500 – 400 St Mary Avenue  
Winnipeg, Manitoba R3C 4K5  
Telephone: 204-945-2548  
Toll free in Manitoba 1-800-655-5244  
Facsimile: 204-945-0330

**ONTARIO SECURITIES COMMISSION**

Suite 1903, Box 55  
20 Queen Street West  
Toronto, Ontario M5H 3S8  
Telephone: (416) 593- 8314  
Toll free in Canada: 1-877-785-1555  
Facsimile: 416-593-8122  
Public official contact regarding indirect collection of information:  
Administrative Support Clerk  
Telephone: 416-593-3684



**Autorité des marchés financiers**

800, Square Victoria, 22e étage  
C.P. 246, Tour de la Bourse  
Montréal, Québec H4Z 1G3  
Telephone: 514-395-0337  
Or 1-877-525-0337  
Facsimile: 514-873-6155 (For filing purposes only)  
Facsimile: 514-864-6381 (For privacy requests only)

**New Brunswick Securities Commission**

85 Charlotte Street, Suite 300  
Saint John, New Brunswick E2L 2J2  
Telephone: 506-658-3060  
Toll Free in New Brunswick 1-866-933-2222  
Facsimile: 506-658-3059

**Nova Scotia Securities Commission**

2nd Floor, Joseph Howe Building  
1690 Hollis Street  
Halifax, Nova Scotia B3J 3J9  
Telephone: 902-424-7768  
Facsimile: 902-424-4625

**Prince Edward Island Securities Office**

95 Rochford Street, 4<sup>th</sup> Floor Shaw Building  
P.O. Box 2000  
Charlottetown, Prince Edward Island C1A 7N8  
Telephone: 902-368-4569  
Facsimile: 902-368-5283

**Government of Newfoundland and Labrador**

Financial Services Regulation Division  
P.O. Box 8700  
Confederation Building  
2nd Floor, West Block  
Prince Philip Drive  
St. John's, NFLD A1B 4J6  
Attention: Director of Securities  
Telephone: 709-729-4189  
Facsimile: 709-729-6187

**Government of Yukon**

Department of Community Services  
Law Centre, 3rd Floor

2130 Second Avenue  
Whitehorse, YT Y1A 5H6  
Telephone: 867-667-5314  
Facsimile: 867-393-6251

**Government of Northwest Territories**

Government of the Northwest Territories  
Office of the Superintendent of Securities  
P.O. Box 1320  
Yellowknife, NT X1A 2L9  
Attention: Deputy Superintendent, Legal & Enforcement  
Telephone: 867-920-8984  
Facsimile: 867-873-0243

**Government of Nunavut**

Department of Justice  
Legal Registries Division  
P.O. Box 1000, Station 570  
1st Floor, Brown Building  
Iqaluit, Nunavut X0A 0H0  
Telephone: 867-975-6590  
Facsimile: 867-975-6594

**FORM 45-106F2**  
**OFFERING MEMORANDUM FOR NON-QUALIFYING ISSUERS**

**Date:** [Insert the date from the certificate page.]

**The Issuer**

Name:

Head office: Address:  
Phone #:  
E-mail address:  
Fax #:

Currently listed or quoted? [If no, state in bold type: “**These securities do not trade on any exchange or market**”. If yes, state where, e.g., TSX/TSX Venture Exchange.]

Reporting issuer? [Yes/No. If yes, state where.]

SEDAR filer? [Yes/No]

**The Offering**

Securities offered:

Price per security:

Minimum/Maximum offering: [If there is no minimum, state in bold type: “**There is no minimum.**” and also state in bold type: “**You may be the only purchaser.**”]

State in bold type: **Funds available under the offering may not be sufficient to accomplish our proposed objectives.**

Minimum subscription amount: [State the minimum amount each investor must invest, or state “There is no minimum subscription amount an investor must invest.”]

Payment terms:

Proposed closing date(s):

Income tax consequences: There are important tax consequences to these securities. See item 6. [If income tax consequences are not material, delete this item.]

Selling agent? [Yes/No. If yes, state “See item 7”. The name of the selling agent may also be stated.]

### Resale restrictions

State: “You will be restricted from selling your securities for [4 months and a day/an indefinite period]. See item 10.”

### Purchaser's rights

State: “You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this offering memorandum, you have the right to sue either for damages or to cancel the agreement. See item 11.”

State in bold type:

**“No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this offering memorandum. Any representation to the contrary is an offence. This is a risky investment. See item 8.”**

[All of the above information must appear on a single cover page.]

## Item 1 Use of Available Funds

**1.1. Funds** – Using the following table, disclose the funds available as a result of the offering. If the issuer plans to combine additional sources of funding with the available funds from the offering to achieve its principal capital-raising purpose, please provide details about each additional source of funding. If there is no minimum offering, state “\$0” as the minimum.

Disclose also the amount of any working capital deficiency, if any, of the issuer as at a date not more than 30 days prior to the date of the offering memorandum. If the working capital deficiency will not be eliminated by the use of available funds, state how the issuer intends to eliminate or manage the deficiency.

		Assuming min. offering	Assuming max. offering
A.	Amount to be raised by this offering	\$	\$
B.	Selling commissions and fees	\$	\$
C.	Estimated offering costs (e.g., legal, accounting, audit.)	\$	\$
D.	Available funds: $D = A - (B+C)$	\$	\$
E.	Additional sources of funding required	\$	\$
F.	Working capital deficiency	\$	\$
G.	Total: $H = (D+E) - F$	\$	\$

**1.2. Use of Available Funds** – Using the following table, provide a detailed breakdown of how the issuer will use the available funds. If any of the available funds will be paid to a related party, disclose in a note to the table the name of the related party, the relationship to the issuer, and the amount. If the issuer has a working capital deficiency, disclose the portion, if any, of the available funds to be applied against the working capital deficiency. If more than 10% of the available funds will be used by the issuer to pay debt and the issuer incurred the debt within the two preceding financial years, describe why the debt was incurred.

Description of intended use of available funds listed in order of priority	Assuming min. offering	Assuming max. offering
	\$	\$
	\$	\$
Total: Equal to G in the Funds table above	\$	\$

**1.3. Reallocation** – The available funds must be used for the purposes disclosed in the offering memorandum. The board of directors can reallocate the proceeds to other uses only for sound business reasons. If the available funds may be reallocated, include the following statement:

“We intend to spend the available funds as stated. We will reallocate funds only for sound business reasons.”

**Item 2 Business of [name of issuer or other term used to refer to issuer]**

**2.1. Structure** – State the business structure (e.g., partnership, corporation or trust), the statute and the province, state or other jurisdiction under which the issuer is incorporated, continued or organized, and the date of incorporation, continuance or organization.

**2.2. Our Business** – Describe the issuer's business. The disclosure must provide sufficient information to enable a prospective purchaser to make an informed investment decision. For a non-resource issuer this disclosure may include principal products or services, operations, market, marketing plans and strategies and a discussion of the issuer's current and prospective competitors. For a resource issuer this will require a description of principal properties (including interest held) and a summary of material information including, if applicable: the stage of development, reserves, geology, operations, production and mineral reserves or mineral resources being explored or developed. A resource issuer disclosing scientific or technical information for a mineral project must follow General Instruction A.8 of this Form. A resource issuer disclosing information about its oil and gas activities must follow General Instruction A.9 of this Form.

**2.3. Development of Business** – Describe (generally, in one or two paragraphs) the general development of the issuer's business over at least its two most recently completed financial years and any subsequent period. Include the major events that have occurred or conditions that have influenced (favourably or unfavourably) the development of the issuer.

**2.4. Long Term Objectives** – Describe each significant event that must occur to accomplish the issuer's long term objectives, state the specific time period in which each event is expected to occur, and the costs related to each event.

**2.5. Short Term Objectives and How We Intend to Achieve Them**

(a) Disclose the issuer's objectives for the next 12 months.

(b) Using the following table, disclose how the issuer intends to meet those objectives for the next 12 months.

What we must do and how we will do it	Target completion date or, if not known, number of months to complete	Our cost to complete
		\$
		\$

**2.6. Insufficient Funds**

If applicable, disclose that the funds available as a result of the offering either may not or will not be sufficient to accomplish all of the issuer's proposed objectives and there is no assurance that alternative financing will be available. If alternative financing has been arranged, disclose the amount, source and all outstanding conditions that must be satisfied.

**2.7. Material Agreements** – Disclose the key terms of all material agreements

- (a) to which the issuer is currently a party, or
- (b) with a related party

including the following information:

- (i) if the agreement is with a related party, the name of the related party and the relationship,
- (ii) a description of any asset, property or interest acquired, disposed of, leased, under option, etc.,
- (iii) a description of any service provided,
- (iv) purchase price and payment terms (e.g., paid in instalments, cash, securities or work commitments),
- (v) the principal amount of any debenture or loan, the repayment terms, security, due date and interest rate,
- (vi) the date of the agreement,
- (vii) the amount of any finder's fee or commission paid or payable to a related party in connection with the agreement,
- (viii) any material outstanding obligations under the agreement, and
- (ix) for any transaction involving the purchase of assets by or sale of assets to the issuer from a related party, state the cost of the assets to the related party, and the cost of the assets to the issuer.

**Item 3 Interests of Directors, Management, Promoters and Principal Holders**

**3.1. Compensation and Securities Held** – Using the following table, provide the specified information about each director, officer and promoter of the issuer and each person who, directly or indirectly, beneficially owns or controls 10% or more of any class of voting securities of the issuer (a “principal holder”). If the principal holder is not an individual, state in a note to the table the name of any person that, directly or indirectly, beneficially owns or controls more than 50% of the voting rights of the principal holder. If the issuer has not completed its first financial year, then include compensation paid since inception. Compensation includes any form of remuneration including cash, shares and options.

Name and municipality of principal residence	Positions held (e.g., director, officer, promoter and/or principal holder) and the date of obtaining that position	Compensation paid by issuer or related party in the most recently completed financial year and the compensation anticipated to be paid in the current financial year	Number, type and percentage of securities of the issuer held after completion of min. offering	Number, type and percentage of securities of the issuer held after completion of max. offering

**3.2. Management Experience** – Using the following table, disclose the principal occupations of the directors and executive officers over the past five years. In addition, for each individual, describe any relevant experience in a business similar to the issuer's.

Name	Principal occupation and related experience

**3.3. Penalties, Sanctions and Bankruptcy**

(a) Disclose any penalty or sanction (including the reason for it and whether it is currently in effect) that has been in effect during the last 10 years, or any cease trade order that has been in effect for a period of more than 30 consecutive days during the past 10 years against

(i) a director, executive officer or control person of the issuer, or

(ii) an issuer of which a person referred to in (i) above was a director, executive officer or control person at the time.

(b) Disclose any declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets, that has been in effect during the last 10 years with regard to any

(i) director, executive officer or control person of the issuer, or

(ii) issuer of which a person referred to in (i) above was a director, executive officer or control person at that time.



**3.4. Loans** – Disclose the principal amount of any debenture or loan, the repayment terms, security, due date and interest rate due to or from the directors, management, promoters and principal holders as at a date not more than 30 days prior to the date of the offering memorandum.

#### Item 4 Capital Structure

**4.1. Share Capital** – Using the following table, provide the required information about outstanding securities of the issuer (including options, warrants and other securities convertible into shares). If necessary, notes to the table may be added to describe the material terms of the securities.

Description of security	Number authorized to be issued	Price per security	Number outstanding as at [a date not more than 30 days prior to the offering memorandum date]	Number outstanding after min. offering	Number outstanding after max. offering

**4.2. Long Term Debt** – Using the following table, provide the required information about outstanding long term debt of the issuer. Disclose the current portion of the long-term debt due within 12 months of the date of the offering memorandum. If the securities being offered are debt securities, add a column to the table disclosing the amount of debt that will be outstanding after both the minimum and maximum offering. If the debt is owed to a related party, indicate that in a note to the table and identify the related party.

Description of long term debt (including whether secured)	Interest rate	Repayment terms	Amount outstanding at [a date not more than 30 days prior to the offering memorandum date]
			\$
			\$

**4.3. Prior Sales** – If the issuer has issued any securities of the class being offered under the offering memorandum (or convertible or exchangeable into the class being offered under the offering memorandum) within the last 12 months, use the following table to provide the information specified. If securities were issued in exchange for assets or services, describe in a note to the table the assets or services that were provided.

Date of issuance	Type of security issued	Number of securities issued	Price per security	Total funds received

## Item 5 Securities Offered

**5.1. Terms of Securities** – Describe the material terms of the securities being offered, including:

- (a) voting rights or restrictions on voting,
- (b) conversion or exercise price and date of expiry,
- (c) rights of redemption or retraction, and
- (d) interest rates or dividend rates.

## 5.2. Subscription Procedure

- (a) Describe how a purchaser can subscribe for the securities and the method of payment.
- (b) State that the consideration will be held in trust and the period that it will be held (refer at least to the mandatory two day period).
- (c) Disclose any conditions to closing, e.g., receipt of additional funds from other sources. If there is a minimum offering, disclose when consideration will be returned to purchasers if the minimum is not met, and whether the issuer will pay the purchasers interest on consideration.

## Item 6 Income Tax Consequences and RRSP Eligibility

### 6.1. State:

“You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.”

**6.2.** If income tax consequences are a material aspect of the securities being offered (e.g., flow-through shares), provide

- (a) a summary of the significant income tax consequences to Canadian residents, and

- (b) the name of the person providing the income tax disclosure in (a).

**6.3.** Provide advice regarding the RRSP eligibility of the securities and the name of the person providing the advice or state “Not all securities are eligible for investment in a registered retirement savings plan (RRSP). You should consult your own professional advisers to obtain advice on the RRSP eligibility of these securities.”

**Item 7 Compensation Paid to Sellers and Finders**

If any person has or will receive any compensation (e.g., commission, corporate finance fee or finder's fee) in connection with the offering, provide the following information to the extent applicable:

- (a) a description of each type of compensation and the estimated amount to be paid for each type,
- (b) if a commission is being paid, the percentage that the commission will represent of the gross proceeds of the offering (assuming both the minimum and maximum offering),
- (c) details of any broker's warrants or agent's option (including number of securities under option, exercise price and expiry date), and
- (d) if any portion of the compensation will be paid in securities, details of the securities (including number, type and, if options or warrants, the exercise price and expiry date).

**Item 8 Risk Factors**

Describe in order of importance, starting with the most important, the risk factors material to the issuer that a reasonable investor would consider important in deciding whether to buy the issuer's securities.

Risk factors will generally fall into the following three categories:

- (a) Investment Risk - risks that are specific to the securities being offered. Some examples include
- arbitrary determination of price,
  - no market or an illiquid market for the securities,

- resale restrictions, and
- subordination of debt securities.

(b) Issuer Risk - risks that are specific to the issuer. Some examples include

- insufficient funds to accomplish the issuer's business objectives,
- no history or a limited history of sales or profits,
- lack of specific management or technical expertise,
- management's regulatory and business track record,
- dependence on key employees, suppliers or agreements,
- dependence on financial viability of guarantor,
- pending and outstanding litigation, and
- political risk factors.

(c) Industry Risk - risks faced by the issuer because of the industry in which it operates. Some examples include

- environmental and industry regulation,
- product obsolescence, and
- competition.

### Item 9 Reporting Obligations

**9.1.** Disclose the documents, including any financial information required by the issuer's corporate legislation, constating documents, or other documents under which the issuer is organized, that will be sent to purchasers on an annual or on-going basis. If the issuer is not required to send any documents to the purchasers on an annual or on-going basis, state in bold type: "**We are not required to send you any documents on an annual or ongoing basis.**"

**9.2.** If corporate or securities information about the issuer is available from a government, securities regulatory authority or regulator, SRO or quotation and trade reporting system, disclose where that information can be located (including website address).

**Item 10 Resale Restrictions**

**10.1. General Statement** – For trades in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon, state:

“These securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under securities legislation.”

**10.2. Restricted Period** – For trades in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon state one of the following, as applicable:

(a) If the issuer is not a reporting issuer in a jurisdiction at the distribution date state:

“Unless permitted under securities legislation, you cannot trade the securities before the date that is 4 months and a day after the date [insert name of issuer or other term used to refer to the issuer] becomes a reporting issuer in any province or territory of Canada.”

(b) If the issuer is a reporting issuer in a jurisdiction at the distribution date state:

“Unless permitted under securities legislation, you cannot trade the securities before the date that is 4 months and a day after the distribution date.”

**10.3. Manitoba Resale Restrictions** – For trades in Manitoba, if the issuer will not be a reporting issuer in a jurisdiction at the time the security is acquired by the purchaser state:

“Unless permitted under securities legislation, you must not trade the securities without the prior written consent of the regulator in Manitoba unless

(a) [name of issuer or other term used to refer to issuer] has filed a prospectus with the regulator in Manitoba with respect to the securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus, or

(b) you have held the securities for at least 12 months.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.”

**Item 11 Purchasers' Rights**

State the following:

“If you purchase these securities you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer.

(1) **Two Day Cancellation Right** – You can cancel your agreement to purchase these securities. To do so, you must send a notice to us by midnight on the 2nd business day after you sign the agreement to buy the securities.

(2) **Statutory Rights of Action in the Event of a Misrepresentation** – [Insert this section only if the securities legislation of the jurisdiction in which the trade occurs provides purchasers with statutory rights in the event of a misrepresentation in an offering memorandum. Modify the language, if necessary, to conform to the statutory rights.] If there is a misrepresentation in this offering memorandum, you have a statutory right to sue:

(a) [name of issuer or other term used to refer to issuer] to cancel your agreement to buy these securities, or

(b) for damages against [state the name of issuer or other term used to refer to issuer and the title of any other person against whom the rights are available].

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within [state time period provided by the securities legislation]. You must commence your action for damages within [state time period provided by the securities legislation].

(3) **Contractual Rights of Action in the Event of a Misrepresentation** – [Insert this section only if the securities legislation of the jurisdiction in which the purchaser is resident does not provide purchasers with statutory rights in the event of a misrepresentation in an offering memorandum.] If there is a misrepresentation in this offering memorandum, you have a contractual right to sue [name of issuer or other term used to refer to issuer]:

(a) to cancel your agreement to buy these securities, or

(b) for damages.

This contractual right to sue is available to you whether or not you relied on the misrepresentation. However, in an action for damages, the amount you may recover will not exceed the price that you paid for your securities and will not include any part of the damages that [name of issuer or other term used to refer to issuer] proves does not represent the depreciation in value of the securities resulting from the misrepresentation. [Name of issuer or other term used to refer to issuer] has a defence if it proves that you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after you signed the agreement to purchase the securities. You must commence your action for damages within the earlier of 180 days after learning of the misrepresentation and 3 years after you signed the agreement to purchase the securities.”

**Item 12 Financial Statements**

Include in the offering memorandum immediately before the certificate page of the offering memorandum all required financial statements as set out in the Instructions.

**Item 13 Date and Certificate**

State the following on the certificate page of the offering memorandum:

“Dated [insert the date the certificate page of the offering memorandum is signed].

**This offering memorandum does not contain a misrepresentation.”**

**Instructions for Completing  
Form 45-106F2 Offering Memorandum for Non-Qualifying Issuers**

**A. General Instructions**

1. Draft the offering memorandum so that it is easy to read and understand. Be concise and use clear, plain language. Avoid technical terms. If technical terms are necessary, provide definitions.
2. Address the items required by the form in the order set out in the form. However, it is not necessary to provide disclosure about an item that does not apply.
3. The issuer may include additional information in the offering memorandum other than that specifically required by the form. An offering memorandum is generally not required to contain the level of detail and extent of disclosure required by a prospectus. Generally, this description should not exceed 2 pages. However, an offering memorandum must provide a prospective purchaser with sufficient information to make an informed investment decision.
4. The issuer may wrap the offering memorandum around a prospectus or similar document. However, all matters required to be disclosed by the offering memorandum must be addressed and the offering memorandum must provide a cross-reference to the page number or heading in the wrapped document where the relevant information is contained. The certificate to the offering memorandum must be modified to indicate that the offering memorandum, including the document around which it is wrapped, does not contain a misrepresentation.
5. It is an offence to make a misrepresentation in the offering memorandum. This applies both to information that is required by the form and to additional information that is provided. Include particulars of any material facts, which have not been disclosed under any of the Item numbers and for which failure to disclose would constitute a misrepresentation in the offering memorandum. Refer also to section 3.8(3) of Policy Statement to Regulation 45-106 respecting Prospectus and Registration Exemptions adopted pursuant to decision no. 2009-PDG-0119 dated September 4, 2009 for additional information.
6. When the term “related party” is used in this form, it refers to:
  - (a) a director, officer, promoter or control person of the issuer,
  - (b) in regard to a person referred to in (a), a child, parent, grandparent or sibling, or other relative living in the same residence,
  - (c) in regard to a person referred to in (a) or (b), his or her spouse or a person with whom he or she is living in a marriage-like relationship,



- (d) an insider of the issuer,
- (e) a company controlled by one or more individuals referred to in (a) to (d),  
and
- (f) in the case of an insider, promoter or control person that is not an individual,  
any person that controls that insider, promoter or control person.

(If the issuer is not a reporting issuer, the reference to “insider” includes persons or companies who would be insiders of the issuer if that issuer were a reporting issuer.)

7. Disclosure is required in item 3.1 of compensation paid directly or indirectly by the issuer or a related party to a director, officer, promoter and/or principal holder if the issuer receives a direct benefit from such compensation paid.

8. Refer to Regulation 43-101 respecting Standards of Disclosure for Mineral Projects (Regulation 43-101) when disclosing scientific or technical information for a mineral project of the issuer.

9. If an oil and gas issuer is disclosing information about its oil and gas activities, it must ensure that the information is disclosed in accordance with Part 4 and Part 5 of Regulation 51-101 respecting Standards of Disclosure for Oil and Gas Activities (Regulation 51-101). Under section 5.3 of Regulation 51-101 disclosure of reserves or resources must be consistent with the reserves and resources terminology and categories set out in the Canadian Oil and Gas Evaluation Handbook. For the purposes of this instruction, references to reporting issuer in Part 4 and Part 5 of Regulation 51-101 will be deemed to include all issuers.

10. Securities legislation restricts what can be told to investors about the issuer's intent to list or quote securities on an exchange or market. Refer to applicable securities legislation before making any such statements.

11. If an issuer uses this form in connection with a distribution under an exemption other than section 2.9 (*offering memorandum*) of Regulation 45-106 respecting Prospectus and Registration Exemptions, the issuer must modify the disclosure in item 11 to correctly describe the purchaser's rights. If a purchaser does not have statutory or contractual rights of action in the event of a misrepresentation in the offering memorandum, that fact must be stated in bold on the face page.

12. During the course of a distribution of securities, any material forward-looking information disseminated must only be that which is set out in the offering memorandum. If an extract of FOFI, as defined in Regulation 51-102 respecting Continuous Disclosure Obligations (Regulation 51-102), is disseminated, the extract or summary must be

reasonably balanced and have a cautionary note in boldface stating that the information presented is not complete and that complete FOFI is included in the offering memorandum.

**B. Financial Statements - General**

1. All financial statements, operating statements for an oil and gas property that is an acquired business or a business to be acquired and summarized financial information as to the assets, liabilities and results of operations of a business relating to an acquisition that is, or will be, an investment accounted for by the issuer using the equity method included in the offering memorandum must comply with Regulation 52-107 respecting Acceptable Accounting Principles, Auditing Standards and Reporting Currency approved by Ministerial Order No. 2005-07 dated May 19, 2005 (Regulation 52-107), regardless of whether the issuer is a reporting issuer or not. Under Regulation 52-107, a non-qualifying issuer that uses Canadian GAAP cannot use differential reporting as set out in the Handbook.

2. Include all financial statements required by these instructions in the offering memorandum immediately before the certificate page of the offering memorandum.

3. If the issuer has not completed one financial year or its first financial year end is less than 120 days from the date of the offering memorandum, include in the offering memorandum financial statements of the issuer consisting of:

(a) an income statement, a statement of retained earnings and a cash flow statement for the period from inception to a date not more than 90 days before the date of the offering memorandum,

(b) a balance sheet as at the end of the period referred to in paragraph (a), and

(c) notes to the financial statements.

4. If the issuer has completed one or more financial years, include in the offering memorandum annual financial statements of the issuer consisting of:

(a) an income statement, a statement of retained earnings and a cash flow statement for

(i) the most recently completed financial year that ended more than 120 days before the date of the offering memorandum, and

(ii) the financial year immediately preceding the financial year in clause (i), if any,

(b) a balance sheet as at the end of each of the periods referred to in paragraph (a), and

(c) notes to the financial statements.

5. If the issuer has completed one or more financial years, include in the offering memorandum interim financial statements of the issuer comprised of:

(a) an income statement, a statement of retained earnings and a cash flow statement for the most recently completed interim period that ended

(i) more than 60 days before the date of the offering memorandum, and

(ii) after the year-end date of the financial statements required under B.4(a)(i),

(b) an income statement, a statement of retained earnings and a cash flow statement for the corresponding period in the immediately preceding financial year, if any,

(c) a balance sheet as at the end of the periods required by paragraphs (a) and (b), and

(d) notes to the financial statements.

6. An issuer is not required to include the comparative financial information for the period in B.4.(a)(ii) in an offering memorandum if the issuer includes financial statements for a financial year ended less than 120 days before the date of the offering memorandum.

7. For an issuer that is not an investment fund, the term “interim period” has the meaning set out in Regulation 51-102. In most cases, an interim period is a period ending nine, six, or three months before the end of a financial year. For an issuer that is an investment fund, the term “interim period” has the meaning set out in Regulation 81-106 respecting Investment Fund Continuous Disclosure (Regulation 81-106).

8. The comparative financial information required under B.5(b) and (c) may be omitted if not previously prepared.

9. The financial statements required by B.3 and the financial statements of the most recently completed financial period referred to in B.4 must be audited. The financial statements required under B.5, B.6 and the comparative financial information required by B.4 may be unaudited; however, if any of those financial statements have been audited, the auditor’s report must be included in the offering memorandum.

10. Refer to Regulation 52-108 respecting Auditor Oversight approved by Ministerial Order No. 2005-16 dated August 2, 2005 for requirements relating to reporting issuers and public accounting firms.

11. All unaudited financial statements and unaudited comparatives must be clearly labelled as unaudited.

12. If the offering memorandum does not contain audited financial statements for the issuer's most recently completed financial year, and if the distribution is ongoing, update the offering memorandum to include the annual audited financial statements and the accompanying auditor's report as soon as the issuer has approved the audited financial statements, but in any event no later than the 120th day following the financial year end.

13. The offering memorandum does not have to be updated to include interim financial statements for periods completed after the date that is 60 days before the date of the offering memorandum unless it is necessary to prevent the offering memorandum from containing a misrepresentation.

14. Forward looking information included in an offering memorandum must comply with section 4A.2 of Regulation 51-102 and must include the disclosure described in section 4A.3 of Regulation 51-102. In addition to the foregoing, FOPI or a financial outlook, each as defined in Regulation 51-102, included in an offering memorandum must comply with Part 4B of Regulation 51-102. For an issuer that is not a reporting issuer, references to "reporting issuer" in section 4A.2, section 4A.3 and Part 4B of Regulation 51-102 should be read as references to an "issuer". Additional guidance may be found in the Policy Statement to Regulation 51-102 respecting Continuous Disclosure Obligations adopted pursuant to decision No. 2006-PDG-0223 dated December 12, 2006.

15. If the issuer is a limited partnership, in addition to the financial statements required for the issuer, include in the offering memorandum the financial statements in accordance with Part B for the general partner and, if the limited partnership has active operations, for the limited partnership.

### **C. Financial Statements - Business Acquisitions**

1. If the issuer

(a) has acquired a business during the past two years and the audited financial statements of the issuer included in the offering memorandum do not include the results of the acquired business for 9 consecutive months, or

(b) is proposing to acquire a business and the acquisition has progressed to a state where a reasonable person would believe that the likelihood of the acquisition being completed is high,

include the financial statements specified in C.4 for the business if either of the tests in C.2 is met, irrespective of how the issuer accounts, or will account, for the acquisition.

2. Include the financial statements specified in C.4 for a business referred to in C.1 if either:

(a) the issuer's proportionate share of the consolidated assets of the business exceeds 40% of the consolidated assets of the issuer calculated using the annual financial statements of each of the issuer and the business for the most recently completed financial year of each that ended before the date of acquisition or, for a proposed acquisition, the date of the offering memorandum or

(b) the issuer's consolidated investments in and advances to the business as at the date of acquisition or the proposed date of acquisition exceeds 40% of the consolidated assets of the issuer, excluding any investments in or advances to the business, as at the last day of the issuer's most recently completed financial year that ended before the date of acquisition or the date of the offering memorandum for a proposed acquisition.

2.1 In this Instruction C, the term "date of acquisition" means the date of acquisition used for accounting purposes.

3. If an issuer or a business has not yet completed a financial year, or its first financial year ended within 120 days of the offering memorandum date, use the financial statements referred to in B.3 to make the calculations in C.2.

4. If under C.2 you must include in an offering memorandum financial statements for a business, the financial statements must include:

(a) If the business has not completed one financial year or its first financial year end is less than 120 days from the date of the offering memorandum

(i) an income statement, a statement of retained earnings and a cash flow statement

(A) for the period from inception to a date not more than 90 days before the date of the offering memorandum, or

(B) if the date of acquisition precedes the ending date of the period referred to in (A), for the period from inception to the date of acquisition or a date not more than 45 days before the date of acquisition,

(i) a balance sheet dated as at the end of the period referred to in clause (i), and

(ii) notes to the financial statements.

(b) If the business has completed one or more financial years include

(i) annual financial statements comprised of:

(A) an income statement, a statement of retained earnings and a cash flow statement for the following annual periods:

i. the most recently completed financial year that ended before the date of acquisition and more than 120 days before the date of the offering memorandum, and

ii. the financial year immediately preceding the most recently completed financial year specified in clause i, if any,

(B) a balance sheet as at the end of each of the periods specified in (A),

(C) notes to the financial statements, and

(ii) interim financial statements comprised of:

(A) an income statement, a statement of retained earnings and a cash flow statement for either:

i. the most recently completed year-to-date interim period and the three month period ending on the last date of the interim period that ended before the date of acquisition and more than 60 days before the date of the offering memorandum and ended after the date of the financial statements required under C.4(b)(i)(A)i, or

ii. the period from the first day after the financial year referred to in C.4(b)(i) to a date before the date of acquisition and after the period end in C.4(b)(ii)(A)i, and

(B) an income statement, a statement of retained earnings and a cash flow statement for the corresponding period in the immediately preceding financial year, if any,

(C) a balance sheet as at the end of the periods required by (A) and (B), and

(D) notes to the financial statements.

Refer to Instruction B.7 for the meaning of “interim period”.

5. The information for the most recently completed financial period referred to in C.4(b)(i) must be audited and accompanied by an auditor’s report. The financial statements required under C.4(a), C.4(b)(ii) and the comparative financial information required by C.4(b)(i) may be unaudited; however, if those financial statements or comparative financial information have been audited, the auditor’s report must be included in the offering memorandum.

6. If the offering memorandum does not contain audited financial statements for a business referred to in C.1 for the business's most recently completed financial year that ended before the date of acquisition and the distribution is ongoing, update the offering memorandum to include those financial statements accompanied by an auditor's report when they are available, but in any event no later than the date 120 days following the year-end.

7. The term "business" should be evaluated in light of the facts and circumstances involved. Generally, a separate entity or a subsidiary or division of an entity is a business and, in certain circumstances, a lesser component of an entity may also constitute a business, whether or not the subject of the acquisition previously prepared financial statements. The subject of an acquisition should be considered a business where there is, or the issuer expects there will be, continuity of operations. The issuer should consider:

(a) whether the nature of the revenue producing activity or potential revenue producing activity will remain generally the same after the acquisition, and

(b) whether any of the physical facilities, employees, marketing systems, sales forces, customers, operating rights, production techniques or trade names are acquired by the issuer instead of remaining with the vendor after the acquisition.

8. If a transaction or a proposed transaction for which the likelihood of the transaction being completed is high has been or will be accounted for as a reverse take-over as defined in Regulation 51-102, include financial statements for the legal subsidiary in the offering memorandum in accordance with Part A. The legal parent, as that term is defined in the CICA Handbook, is considered to be the business acquired. C.1 may also require financial statements of the legal parent.

9. An issuer satisfies the requirements in C.4 if the issuer includes in the offering memorandum the financial statements required in a business acquisition report under Regulation 51-102.

#### **D. Financial Statement - Exemptions**

1. An issuer will satisfy the financial statement requirements of this form if it includes the financial statements required by securities legislation for a prospectus.

2. Notwithstanding the requirements in section 3.2(a) of Regulation 52-107, an auditor's report that accompanies financial statements of an issuer or a business contained in an offering memorandum of a non-reporting issuer may contain a qualification of opinion relating to inventory if

(a) the issuer includes in the offering memorandum a balance sheet that is for a date that is subsequent to the date to which the qualification relates, and

(b) the balance sheet referred to in paragraph (a) is accompanied by an auditor's report that does not contain a qualification of opinion relating to closing inventory, and

(c) the issuer has not previously filed financial statements for the same entity accompanied by an auditor's report for a prior year that contained a qualification of opinion relating to inventory.

3. If an issuer has, or will account for a business referred to in C.1 using the equity method, then financial statements for a business required by Part C are not required to be included if:

(a) the offering memorandum includes disclosure for the periods for which financial statements are otherwise required under Part C that:

(i) summarizes information as to the assets, liabilities and results of operations of the business, and

(ii) describes the issuer's proportionate interest in the business and any contingent issuance of securities by the business that might significantly affect the issuer's share of earnings;

(b) the financial information provided under D.3(a) for the most recently completed financial year has been audited, or has been derived from audited financial statements of the business; and

(c) the offering memorandum discloses that:

(i) the financial information provided under D.3(a) for any completed financial year has been audited, or identifies the audited financial statements from which the financial information provided under D.3(a) has been derived; and

(ii) the audit opinion with respect to the financial information or financial statements referred to in D.3(c)(i) was issued without a reservation of opinion.

If the financial information included in an offering memorandum under D.3(a) has been derived from financial statements of a business incorporated or organized in a foreign jurisdiction that have been prepared in accordance with foreign GAAP, the information must be accompanied by a note that explains and quantifies the effect of material differences between Canadian GAAP and the foreign GAAP.

4. Financial statements relating to the acquisition or proposed acquisition of a business that is an interest in an oil and gas property are not required to be included in an offering memorandum if the acquisition is significant based only on the asset test or:



(a) the issuer is unable to provide the financial statements in respect of the significant acquisition otherwise required because those financial statements do not exist or the issuer does not have access to those financial statements,

(b) the acquisition was not or will not be accounted for as a “reverse take-over” as defined in Regulation 51-102,

(c) the business did not or does not constitute a “reportable segment” of the seller, as defined in section 1701 of the CICA Handbook, at the time of acquisition, and

(d) the offering memorandum contains alternative disclosure for the business which includes:

(i) an operating statement for each of the financial periods for which financial statements would, but for this section, be required under C.4, presenting for the business, at a minimum, the following line items:

- A) gross revenue,
- B) royalty expenses,
- C) production costs, and
- D) operating income,

The operating statement for the most recently completed financial period referred to in C.4(b)(i) must be audited.

(ii) a description of the property or properties and the interest acquired by the issuer,

(iii) information with respect to the estimated reserves and related future net revenue attributable to the business, the material assumptions used in preparing the estimates and the identity and relationship to the issuer or to the seller of the person who prepared the estimates,

(iv) actual production volumes of the property for the most recently completed year, and

(v) estimated production volumes of the property for the first year reflected in the estimate disclosed under D.4(d)(iv).

5. Financial statements for a business that is an interest in an oil and gas property, or for the acquisition or proposed acquisition by an issuer of a property, are not required to be audited if during the 12 months preceding the date of acquisition or the proposed date of acquisition, the daily average production of the property on a barrel of oil equivalent basis

(with gas converted to oil in the ratio of six thousand cubic feet of gas being the equivalent of one barrel of oil) is less than 20 per cent of the total daily average production of the seller for the same or similar periods and:

(i) despite reasonable efforts during the purchase negotiations, the issuer was prohibited from including in the purchase agreement the rights to obtain an audited operating statement of the property,

(ii) the purchase agreement includes representations and warranties by the seller that the amounts presented in the operating statement agree to the seller's books and records, and

(iii) the offering memorandum discloses

1. that the issuer was unable to obtain an audited operating statement,
2. the reasons for that inability,
3. the fact that the purchase agreement includes the representations and warranties referred to in D.5(ii), and
4. that the results presented in the operating statements may have been materially different if the statements had been audited.

**FORM 45-106F3  
OFFERING MEMORANDUM FOR QUALIFYING ISSUERS**

Date: [Insert the date from the certificate page.]

**The Issuer**

Name:

Head office: Address:

Phone #:

E-mail address:

Fax #:

Where currently listed or quoted? [e.g., TSX/TSX Venture Exchange]

Jurisdictions in which the issuer is a reporting issuer:

**The Offering**

Securities offered:

Price per security:

Minimum/Maximum offering: [If there is no minimum state in bold: “**There is no minimum.**” and also state in bold type: “**You may be the only purchaser.**”]

State in bold type: **Funds available under the offering may not be sufficient to accomplish our proposed objectives.**

Minimum subscription amount: [State the minimum amount each investor must invest, or state “There is no minimum subscription amount an investor must invest.”]

Payment terms:

Proposed closing date(s):

Income Tax consequences: “There are important tax consequences to these securities. See item 6.” [If income tax consequences are not material, delete this item.]

Selling agent? [Yes/No. If yes, state “See item 7”. The name of the selling agent may also be stated.]

**Resale restrictions**

State: “You will be restricted from selling your securities for 4 months and a day. See item 10”.

**Purchaser’s rights**

State: “You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this offering memorandum, you have the right to sue either for damages or to cancel the agreement. See item 11.”

State in bold type:

**“No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this offering memorandum. Any representation to the contrary is an offence. This is a risky investment. See item 8.”**

*[All of the above information must appear on a single cover page.]*

**Item 1 Use of Available Funds**

**1.1. Available Funds** – Using the following table, disclose the funds available as a result of the offering. If the issuer plans to combine additional sources of funding with the available funds from the offering to achieve its principal capital-raising purpose, please provide details about each additional source of funding. If there is no minimum offering, state “\$0” as the minimum.

Disclose also the amount of any working capital deficiency, if any, of the issuer as at a date not more than 30 days prior to the date of the offering memorandum. If the working capital deficiency will not be eliminated by the use of available funds, state how the issuer intends to eliminate or manage the deficiency.

		Assuming min. offering	Assuming max. offering
A	Amount to be raised by this offering	\$	\$
B	Selling commissions and fees	\$	\$
C	Estimated offering costs (e.g., legal, accounting, audit)	\$	\$
D	Available funds: $D = A - (B+C)$	\$	\$

E.	Additional sources of funding required	\$	\$
F.	Working capital deficiency	\$	\$
H.	Total: $H = (D+E) - F$	\$	\$

**1.2. Use of Available Funds** – Using the following table, provide a detailed breakdown of how the issuer will use the available funds. If any of the available funds will be paid to an insider, associate or affiliate of the issuer, disclose in a note to the table the name of the insider, associate or affiliate, the relationship to the issuer, and the amount. If the issuer has a working capital deficiency, disclose the portion, if any, of the available funds to be applied against the working capital deficiency. If more than 10% of the available funds will be used by the issuer to pay debt and the issuer incurred the debt within the two preceding financial years, describe why the debt was incurred.

Description of intended use of available funds listed in order of priority.	Assuming min. offering	Assuming max. offering
	\$	\$
	\$	\$
Total: Equal to G in the Funds table above	\$	\$

**1.3. Reallocation** – The available funds must be used for the purposes disclosed in the offering memorandum. The board of directors can reallocate the proceeds to other uses only for sound business reasons. If the available funds may be reallocated, include the following statement:

“We intend to spend the available funds as stated. We will reallocate funds only for sound business reasons.”

**1.4. Insufficient Funds** – If applicable, disclose that the funds available as a result of the offering either may not or will not be sufficient to accomplish all of the issuer’s proposed objectives and that there is no assurance that alternative financing will be available. If alternative financing has been arranged, disclose the amount, source and any outstanding conditions that must be satisfied.

**Item 2 Information About [name of issuer or other term used to refer to issuer]**

**2.1. Business Summary** – Briefly (in one or two paragraphs) describe the business intended to be carried on by the issuer over the next 12 months. State whether this represents a change of business. The disclosure must provide sufficient information to enable a prospective purchaser to make an informed investment decision. If the issuer is a non-resource issuer, describe the products that the issuer is or will be developing or producing and the stage of development of each of the products. If the issuer is a resource issuer, state: whether the issuer’s principal properties are primarily in the exploration or in the development or production stage; what resources the issuer is engaged in exploring, developing or producing; and the locations of the issuer’s principal properties. A resource issuer who discloses information about its oil and gas activities must follow General Instruction A-9 of this Form.

**2.2. Existing Documents Incorporated by Reference** – State:

“Information has been incorporated by reference into this offering memorandum from documents listed in the table below, which have been filed with securities regulatory authorities or regulators in Canada. The documents incorporated by reference are available for viewing on the SEDAR website at [www.sedar.com](http://www.sedar.com). In addition, copies of the documents may be obtained on request without charge from [insert complete address and telephone and the name of a contact person].

Documents listed in the table and information provided in those documents are not incorporated by reference to the extent that their contents are modified or superseded by a statement in this offering memorandum or in any other subsequently filed document that is also incorporated by reference in this offering memorandum.”

Using the following table, list all of the documents incorporated by reference (as required by Instruction D.1):

Description of document (In the case of material change reports, provide a brief description of the nature of the material change)	Date of document

### 2.3. Existing Documents Not Incorporated by Reference – State:

“Other documents available on the SEDAR website (for example, most press releases, take-over bid circulars, prospectuses and rights offering circulars) are not incorporated by reference into this offering memorandum unless they are specifically referenced in the table above. Your rights as described in item 11 of this offering memorandum apply only in respect of information contained in this offering memorandum and documents or information incorporated by reference.”

**2.4. Existing Information Not Incorporated by Reference** – Certain specified information (as outlined in Instruction D.2) contained in the documents incorporated by reference may be, but is not required to be, incorporated by reference into the offering memorandum. If the issuer does not wish to incorporate that information into the offering memorandum, the issuer must state that and include a statement in the offering memorandum identifying:

- (a) the information that is not being incorporated by reference, and
- (b) the document in which the information is contained.

### 2.5. Future Documents Not Incorporated by Reference – State:

“Documents filed after the date of this offering memorandum are not deemed to be incorporated into this offering memorandum. However, if you subscribe for securities and an event occurs, or there is a change in our business or affairs, that makes the certificate to this offering memorandum no longer true, we will provide you with an update of this offering memorandum, including a newly dated and signed certificate, and will not accept your subscription until you have re-signed the agreement to purchase the securities.”

## Item 3 Interests of Directors, Executive Officers, Promoters and Principal Holders

**3.1.** Using the following table, provide information about each director, executive officer, promoter and each person who, directly or indirectly, beneficially owns or controls 10% or more of any class of voting securities of the issuer (a “principal holder”). If the principal holder is not an individual, state in a note to the table the name of any person that, directly or indirectly, beneficially owns or controls more than 50% of the voting rights of the principal holder.

Name and municipality of principal residence	Position(s) with the issuer

**3.2.** State: “You can obtain further information about directors and executive officers from [insert the name and date of the document(s) with the most current information, e.g., management information circular, annual information form or material change report].”

**3.3.** State: “Current information regarding the securities held by directors, executive officers and principal holders can be obtained from [refer to the SEDI website at [www.sedi.ca](http://www.sedi.ca) or, if information cannot be obtained from the SEDI website, refer to the securities regulatory authority(ies) or regulator(s) from which the information can be obtained, including any website(s)]. [Name of issuer or other term used to refer to issuer] can not guarantee the accuracy of this information.”

**3.4. Loans** – Disclose the principal amount of any debenture or loan, the repayment terms, security, due date and interest rate due to or from the directors, management, promoters and principal holders as at a date not more than 30 days prior to the date of the offering memorandum.

#### **Item 4 Capital Structure**

Using the following table, provide the required information about outstanding securities of the issuer (including options, warrants and other securities convertible into shares). If necessary, notes to the table may be added to describe the material terms of the securities.

Description of security	Number authorized to be issued	Price per security	Number outstanding as at [a date not more than 30 days prior to the offering memorandum date]	Number outstanding after min. offering	Number outstanding after max. offering

#### **Item 5 Securities Offered**

**5.1. Terms of Securities** – Describe the material terms of the securities being offered, including:

- (a) voting rights or restrictions on voting,
- (b) conversion or exercise price and date of expiry,



- (c) rights of redemption or retraction, and
- (d) interest rates or dividend rates.

## **5.2. Subscription Procedure**

- (a) Describe how a purchaser can subscribe for the securities and the method of payment.
- (b) State that the consideration will be held in trust and the period that it will be held (refer at least to the mandatory two day period).
- (c) Disclose any conditions to closing e.g., receipt of additional funds from other sources. If there is a minimum offering, disclose when consideration will be returned to purchasers if the minimum is not met.

## **Item 6 Income Tax Consequences and RRSP Eligibility**

**6.1.** State: “You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you”.

**6.2.** If income tax consequences are a material aspect of the securities being offered (e.g., flow-through shares), provide

- (a) a summary of the significant income tax consequences to Canadian residents, and
- (b) the name of the person providing the income tax disclosure in (a).

**6.3.** Provide advice regarding the RRSP eligibility of the securities and the name of the person providing the advice or state “Not all securities are eligible for investment in a registered retirement savings plan (RRSP). You should consult your own professional advisers to obtain advice on the RRSP eligibility of these securities.”

## **Item 7 Compensation Paid to Sellers and Finders**

If any person has or will receive any compensation (e.g., commission, corporate finance fee or finder’s fee) in connection with the offering, provide the following information to the extent applicable:

- (a) a description of each type of compensation and the estimated amount to be paid for each type,
- (b) if a commission is being paid, the percentage that the commission will represent of the gross proceeds of the offering (assuming both the minimum and maximum offering),

(c) details of any broker's warrants or agent's option (including number of securities under option, exercise price and expiry date), and

(d) if any portion of the compensation will be paid in securities, details of the securities (including number, type and, if options or warrants, the exercise price and expiry date).

#### **Item 8 Risk Factors**

Describe in order of importance, starting with the most important, the risk factors material to the issuer that a reasonable investor would consider important in deciding whether to buy the issuer's securities.

Risk factors will generally fall into the following three categories:

(a) Investment Risk - risks that are specific to the securities being offered. Some examples include

- arbitrary determination of price,
- no market or an illiquid market for the securities,
- resale restrictions, and
- subordination of debt securities.

(b) Issuer Risk - risks that are specific to the issuer. Some examples include

- insufficient funds to accomplish the issuer's business objectives,
- no history or a limited history of sales or profits,
- lack of specific management or technical expertise,
- management's regulatory and business track record,
- dependence on key employees, suppliers or agreements,
- dependence on financial viability of guarantor,
- pending and outstanding litigation, and
- political risk factors.

(c) Industry Risk - risks faced by the issuer because of the industry in which it operates. Some examples include

- environmental and industry regulation,
- product obsolescence, and
- competition.

### **Item 9 Reporting Obligations**

**9.1.** Disclose the documents that will be sent to purchasers on an annual or on-going basis.

**9.2.** If corporate or securities information about the issuer is available from a government, securities regulatory authority or regulator, SRO or quotation and trade reporting system, disclose where that information can be located (including website address).

### **Item 10 Resale Restrictions**

For trades in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon, state:

“These securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under securities legislation.

Unless permitted under securities legislation, you cannot trade the securities before the date that is 4 months and a day after the distribution date.”

### **Item 11 Purchasers' Rights**

State the following:

“If you purchase these securities you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer.

(1) **Two -Day Cancellation Right** – You can cancel your agreement to purchase these securities. To do so, you must send a notice to us by midnight on the 2nd business day after you sign the agreement to buy the securities.

(2) **Statutory Rights of Action in the Event of a Misrepresentation** – [Insert this section only if the securities legislation of the jurisdiction in which the trade occurs provides purchasers with statutory rights in the event of a misrepresentation in an offering

memorandum. Modify the language, if necessary, to conform to the statutory rights.] If there is a misrepresentation in this offering memorandum, you have a statutory right to sue:

(a) [name of issuer or other term used to refer to issuer] to cancel your agreement to buy these securities, or

(b) for damages against [state the name of issuer or other term used to refer to issuer and the title of any other person against whom the rights are available].

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within [state time period provided by the securities legislation]. You must commence your action for damages within [state time period provided by the securities legislation].

**(3) Contractual Rights of Action in the Event of a Misrepresentation -** [Insert this section only if the securities legislation of the jurisdiction in which the purchaser is resident does not provide purchasers with statutory rights in the event of a misrepresentation in an offering memorandum.] If there is a misrepresentation in this offering memorandum, you have a contractual right to sue [name of issuer or other term used to refer to issuer]:

(a) to cancel your agreement to buy these securities, or

(b) for damages.

This contractual right to sue is available to you whether or not you relied on the misrepresentation. However, in an action for damages, the amount you may recover will not exceed the price that you paid for your securities and will not include any part of the damages that [name of issuer or other term used to refer to issuer] proves does not represent the depreciation in value of the securities resulting from the misrepresentation. [Name of issuer or other term used to refer to issuer] has a defence if it proves that you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after you signed the agreement to purchase the securities. You must commence your action for damages within the earlier of 180 days after learning of the misrepresentation and 3 years after you signed the agreement to purchase the securities.”

**Item 12      Date and Certificate**

State the following on the certificate page of the offering memorandum:

“Dated [insert the date the certificate page of the offering memorandum is signed].

**This offering memorandum does not contain a misrepresentation.”**

**Instructions for Completing  
Form 45-106F3  
*Offering Memorandum for Qualifying Issuers***

**A. General Instructions**

1. Only a “qualifying issuer” may use this form.
2. An issuer using this form to draft an offering memorandum must incorporate by reference certain parts of its existing continuous disclosure base. An issuer that does not want to do this must use Form 45-106F2 *Offering Memorandum for Non-Qualifying Issuers*.
3. Draft the offering memorandum so that it is easy to read and understand. Be concise and use clear, plain language. Avoid technical terms. If technical terms are necessary, provide definitions.
4. Address the items required by the form in the order set out in the form. However, it is not necessary to provide disclosure about an item that does not apply.
5. The issuer may include additional information in the offering memorandum other than that specifically required by the form. The offering memorandum is generally not required to contain the level of detail and extent of disclosure required by a prospectus. However, an offering memorandum must provide a prospective purchaser with sufficient information to make an informed investment decision.
6. The issuer may wrap the offering memorandum around a prospectus or similar document. However, all matters required to be disclosed by the offering memorandum must be addressed and the offering memorandum must provide a cross-reference to the page number or heading in the wrapped document where the relevant information is contained. The certificate to the offering memorandum must be modified to indicate that the offering memorandum, including the document around which it is wrapped, does not contain a misrepresentation.
7. It is an offence to make a misrepresentation in the offering memorandum. This applies both to information that is required by the form and to additional information that is provided. Include particulars of any material facts, which have not been disclosed under any of the Item numbers and for which failure to disclose would constitute a misrepresentation in the offering memorandum. Refer also to section 3.8(3) of Policy Statement to Regulation 45-106 respecting Prospectus and Registration Exemptions for additional information.
8. Refer to Regulation 43-101 respecting Standards of Disclosure for Mineral Projects (Regulation 43-101) when disclosing scientific or technical information for a mineral project of the issuer.

9. If an oil and gas issuer is disclosing information about its oil and gas activities, it must ensure that the information is disclosed in accordance with Part 4 and Part 5 of Regulation 51-101 respecting Standards of Disclosure for Oil and Gas Activities (Regulation 51-101). Under section 5.3 of Regulation 51-101 disclosure of reserves or resources must be consistent with the reserves and resources terminology and categories set out in the Canadian Oil and Gas Evaluation Handbook. For the purposes of this instruction, references to reporting issuer in Part 4 and Part 5 of Regulation 51-101 will be deemed to include all issuers.

10. Securities legislation restricts what can be told to investors about the issuer's intent to list or quote securities on an exchange or market. Refer to applicable securities legislation before making any such statements.

11. If an issuer uses this form in connection with a distribution under an exemption other than section 2.9 (*offering memorandum*) of Regulation 45-106 respecting Prospectus and Registration Exemptions, the issuer must modify the disclosure in item 12 to correctly describe the purchaser's rights. If a purchaser does not have statutory or contractual rights of action in the event of a misrepresentation in the offering memorandum, that fact must be stated in bold on the face page.

13. During the course of a distribution of securities, any material forward-looking information disseminated must only be that which is set out in the offering memorandum. If an extract of FOFI, as defined in Regulation 51-102 respecting Continuous Disclosure Obligations (Regulation 51-102), is disseminated, the extract or summary must be reasonably balanced and have a cautionary note in boldface stating that the information presented is not complete and that complete FOFI is included in the offering memorandum.

## **B. Financial Statements**

1. All financial statements incorporated by reference into the offering memorandum must comply with Regulation 51-102 and Regulation 52-107 respecting Acceptable Accounting Principles, Auditing Standards and Reporting Currency.

2. Forward-looking information included in an offering memorandum must comply with section 4A.2 of Regulation 51-102 and must include the disclosure described in section 4A.3 of Regulation 51-102. In addition to the foregoing, FOFI or a financial outlook, each as defined in Regulation 51-102, included in an offering memorandum must comply with Part 4B of Regulation 51-102. Additional guidance may be found in the Policy Statement to Regulation 51-102 respecting Continuous Disclosure Obligations.

## **C. Required Updates to the Offering Memorandum**

1. If the offering memorandum does not incorporate by reference the issuer's AIF, and audited financial statements for its most recently completed financial year, update the offering memorandum for any financial statements that are required to be filed prior to the

distribution to incorporate by reference the documents as soon as the documents are filed on SEDAR.

2. Except for documents referred to in C.1, the offering memorandum does not have to be updated to incorporate by reference interim financial statements or other documents referred to in D.1 unless it is necessary to do so to prevent the offering memorandum from containing a misrepresentation.

#### **D. Information about the Issuer**

1. *Existing Documents Incorporated by Reference* - In addition to any other document that an issuer may choose to incorporate by reference, the issuer must incorporate the following documents:

(a) the issuer's AIF for the issuer's most recently completed financial year for which annual financial statements are either required to be filed or have been filed,

(b) material change reports, except confidential material change reports, filed since the end of the financial year in respect of which the issuer's AIF is filed,

(c) the interim financial statements for the issuer's most recently completed interim period for which the issuer prepares interim financial statements that are required to be filed or have been filed and which ends after the most recently completed financial year referred to in (d),

(d) the comparative financial statements, together with the accompanying auditor's report, for the issuer's most recently completed financial year for which annual financial statements are required to be filed or have been filed,

(e) if, before the offering memorandum is filed, financial information about the issuer for a financial period more recent than the period for which financial statements are required under D.1(c) and (d) is publicly disseminated by, or on behalf of, the issuer through news release or otherwise, the content of the news release or public communication,

(f) management's discussion and analysis (MD&A) as required under Regulation 51-102 for the period specified in D.1(c) and D.1(d),

(g) each business acquisition report required to be filed under Regulation 51-102 for acquisitions completed since the beginning of the financial year in respect of which the issuer's AIF is filed, unless the issuer incorporated the business acquisition report by reference into its AIF for its most recently completed financial year for which annual financial statements are either required to be filed or have been filed, or incorporated at least 9 months of the acquired business or related businesses operations into the issuer's most recent audited financial statements,



(h) any information circular filed by the issuer since the beginning of the financial year in respect of which the issuer's most recent AIF is filed, other than an information circular prepared in connection with an annual general meeting if the issuer has filed and incorporated by reference an information circular for a subsequent annual general meeting,

(i) if the issuer has oil and gas activities, as defined in Regulation 51-101 respecting Standards of Disclosure for Oil and Gas Activities, the most recent Form 51-101F1, Form 51-101F2 and Form 51-101F3, filed by an SEC issuer, unless

(i) the issuer's current AIF is in the form of Form 51-102F2; or

(ii) the issuer is otherwise exempted from the requirements of Regulation 51-101,

(j) any other disclosure document which the issuer has filed pursuant to an undertaking to a provincial and territorial securities regulatory authority or regulator since the beginning of the financial year in respect of which the issuer's most recent AIF is filed, and

(k) any other disclosure document of the type listed above that the issuer has filed pursuant to an exemption from any requirement under securities legislation since the beginning of the financial year in respect of which the issuer's most recent AIF is filed.

2. **Mineral Property** – If a material part of the funds available as a result of the distribution is to be expended on a particular mineral property and if the issuer's most recent AIF does not contain the disclosure required under section 5.4 of Form 51-102F2 for the property or that disclosure is inadequate or incorrect due to changes, disclose the information required under section 5.4 of Form 51-102F2.

An issuer may incorporate any additional document provided that the document is available for viewing on the SEDAR website and that, on request by a purchaser, the issuer provides a copy of the document to the purchaser, without charge.

**FORM 45-106F4****Risk Acknowledgement**

I acknowledge that this is a risky investment.

- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- The person selling me these securities is not registered with a securities regulatory authority or regulator and has no duty to tell me whether this investment is suitable for me. *[Instruction: Delete if sold by registrant]*
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities. *[Instruction: Delete if issuer is reporting]*
- The securities are redeemable, but I may only be able to redeem them in limited circumstances. *[Instruction: Delete if securities are not redeemable]*
- I will not be able to sell these securities for 4 months. *[Instruction: Delete if issuer is not reporting or if the purchaser is a Manitoba resident]*
- I could lose all the money I invest.

I am investing \$ \_\_\_\_\_ [total consideration] in total; this includes any amount I am obliged to pay in future. \_\_\_\_\_ [name of issuer] will pay \$ \_\_\_\_\_ [amount of fee or commission ] of this to \_\_\_\_\_ [name of person selling the securities] as a fee or commission.

**I acknowledge that this is a risky investment and that I could lose all the money I invest.**

\_\_\_\_\_  
Date                      Signature of Purchaser

\_\_\_\_\_  
Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

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**You have 2 business days to cancel your purchase** [*Instruction: The issuer must complete this section before giving the form to the purchaser.*]

To do so, send a notice to [name of issuer] stating that you want to cancel your purchase. You must send the notice before midnight on the 2<sup>nd</sup> business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to [name of issuer] at its business address. Keep a copy of the notice for your records.

Issuer Name and Address: \_\_\_\_\_

Fax: \_\_\_\_\_ E-mail: \_\_\_\_\_

### **You are buying Exempt Market Securities**

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell *exempt market securities*. *Exempt market securities* are more risky than other securities.

**You will receive an offering memorandum** Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

**You will not receive advice** [*Instruction: Delete if sold by registrant*]

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from a registered adviser or registered dealer. In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon to qualify as an eligible investor, you may be required to obtain that advice.

**The securities you are buying are not listed** [*Instruction: Delete if securities are listed or quoted*]

The securities you are buying are not listed on any stock exchange, and they may never be listed. You may never be able to sell these securities.

**The issuer of your securities is a non-reporting issuer** [*Instruction: Delete if issuer is reporting*]

A *non-reporting issuer* does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, call your local securities regulatory authority or regulator. [*Instruction: Insert the name, telephone number and website address of the securities regulatory authority or regulator in the jurisdiction in which you are selling these securities.*]

[*Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.*]

**FORM 45-106F5****Risk Acknowledgement****Saskatchewan Close Personal Friends and Close Business Associates**

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities.
- The person selling me these securities is not registered with a securities regulatory authority or regulator and has no duty to tell me whether this investment is suitable for me. *[Instruction: Delete if sold by registrant]*
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities. *[Instruction: Delete if issuer is reporting]*
- The securities are redeemable, but I may only be able to redeem them in limited circumstances. *[Instruction: Delete if securities are not redeemable]*
- I will not be able to sell these securities for 4 months. *[Instruction: Delete if issuer is not reporting]*
- I could lose all the money I invest.
- I do not have a 2-day right to cancel my purchase of these securities or the statutory rights of action for misrepresentation I would have if I were purchasing the securities under a prospectus. I do have a 2-day right to cancel my purchase of these securities if I receive an amended offering document.

I am investing \$ \_\_\_\_\_ [total consideration] in total; this includes any amount I am obliged to pay in future.

I am a **close** personal friend or **close** business associate of \_\_\_\_\_ [state name], who is a \_\_\_\_\_ [state title - founder, director, executive officer or control person] of \_\_\_\_\_ [state name of issuer or its affiliate – if an affiliate state “an affiliate of the issuer” and give the issuer’s name].

I acknowledge that I am purchasing based on my close relationship with \_\_\_\_\_ [state name of founder, director, executive officer or control person] whom I know well enough and for a sufficient period of time to be able to assess her/his capabilities and trustworthiness.

**I acknowledge that this is a risky investment and that I could lose all the money I invest.**

\_\_\_\_\_  
Date                      Signature of Purchaser

\_\_\_\_\_  
Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

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**You are buying Exempt Market Securities**

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell *exempt market securities*. Exempt market securities are more risky than other securities.

**You may not receive any written information about the issuer or its business**

If you have any questions about the issuer or its business, ask for written clarification before you purchase the securities. You should consult your own professional advisers before investing in the securities.

**You will not receive advice** [*Instruction: Delete if sold by registrant*]

Unless you consult your own professional advisers, you will not get professional advice about whether the investment is suitable for you.

**The issuer of your securities is a non-reporting issuer** [*Instruction: Delete if issuer is reporting*]

A *non-reporting issuer* does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer. You can only sell the securities of a non-reporting issuer in very limited circumstances. You may never be able to sell these securities.

**The securities you are buying are not listed** [*Instruction: Delete if securities are listed or quoted*]

The securities you are buying are not listed on any stock exchange, and they may never be listed. There may be no market for these securities. You may never be able to sell these securities.

For more information on the exempt market, refer to the Saskatchewan Financial Services Commission's website at <http://www.sfsc.gov.sk.ca>.

[*Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.*]

**REGULATION TO AMEND REGULATION 51-102 RESPECTING CONTINUOUS DISCLOSURE OBLIGATIONS\***

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (11) and (34); 2008, c. 24; s. 225, 2009, c. 25, s. 45)

- 1.** Section 13.3 of Regulation 51-102 respecting Continuous Disclosure Obligations is amended by replacing, in subparagraph (iv) of subparagraph (c) of paragraph (2) and of subparagraph (e) of paragraph (3), “registration requirement and prospectus requirement in section 2.35” with “prospectus requirement in section 2.35 and registration requirement in section 3.35”.
- 2.** Section 13.4 of the Regulation is amended by replacing, in subparagraph (iv) of subparagraph (c) of paragraph (2), “registration requirement and prospectus requirement in section 2.35” with “prospectus requirement in section 2.35 and registration requirement in section 3.35”.
- 3.** Except in Ontario, this Regulation comes into force on September 28, 2009.
- 4.** In Ontario, this Regulation comes into force on the later of the following:
  - (1) September 28, 2009;
  - (2) the day on which sections 5 and 11, subsection (1) of section 12, and section 13 of Schedule 26 of the Budget Measures Act, 2009 are proclaimed in force.

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\* Regulation 51-102 respecting Continuous Disclosure Obligations, approved by Ministerial Order No. 2005-03 dated May 19, 2005 (2005, G.O. 2, 1507), was last amended by the Regulation to amend the Regulation approved by Ministerial Order No. 2008-18 dated November 27, 2008 (2008, G.O. 2, 5493). For previous amendments, refer to the "Tableau des modifications et Index sommaire," *Éditeur officiel du Québec*, 2009, updated to March 1, 2009.

**REGULATION TO AMEND REGULATION 81-102 RESPECTING MUTUAL FUNDS\***

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, pars. (6), (17) and (34); 2008, c. 24; s. 225, 2009, c. 25, s. 45)

- 1.** Section 1.1 of Regulation 81-102 respecting Mutual Funds is amended by replacing, in the definition of “specified dealer”, the words “limited market dealer” with the words “exempt market dealer”.
- 2.** Appendix C of the Regulation is amended:
  - (1) in the column “Jurisdiction”, by deleting the words “Alberta”, “Ontario” and “Quebec”;
  - (2) in the column “Securities Legislation Reference”, by deleting “Section 9 of Alberta Securities Commission Policy 7.1”, “Section 227 of Reg. 1015” and “Sections 236 and 237.1 of the *Securities Regulation*”.
- 3.** This Regulation comes into force on September 28, 2009.

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\* Regulation 81-102 respecting Mutual Funds, adopted pursuant to Decision No. 2001-C-0209 dated May 22, 2001 and published in the weekly Bulletin of the *Commission des valeurs mobilières du Québec*, Vol. 32, No. 22, dated June 1, 2001, was amended by the regulations to amend the Regulation approved by Ministerial Orders No. 2004-02 dated February 19, 2004 (2004, G.O. 2, 1064), No. 2005-06 dated May 19, 2005 (2005, G.O. 2, 1500), No. 2006-03 dated October 31, 2006 (2006, G.O. 2, 3586), No. 2008-06 dated March 4, 2008 (2008, G.O. 2, 726) and No. 2008-13 dated August 22, 2008 (2008, G.O. 2, 4556).



**REGULATION TO AMEND REGULATION 81-104 RESPECTING COMMODITY POOLS\***

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (34); 2008, c. 24; s. 225, 2009, c. 25, s. 45)

- 1.** Paragraph (1) of section 1.1 of Regulation 81-104 respecting Commodity Pools is amended, in the definition of “mutual fund restricted individual”, by replacing the words “salesperson, partner, director or officer of a dealer” with the words “dealing representative of a registered dealer”.
- 2.** This Regulation comes into force on September 28, 2009.

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\* Regulation 81-104 respecting Commodity Pools, adopted pursuant to Decision No. 2003-C-0075 dated March 3, 2003 and published in the Supplement to the Bulletin of the *Commission des valeurs mobilières du Québec*, Vol. 34, No. 19, dated May 16, 2003, was amended by the regulations to amend the Regulation approved by Ministerial Orders No. 2005-06 dated May 19, 2005 (2005, *G.O.* 2, 1500), No. 2005-19 dated August 10, 2005 (2005, *G.O.* 2, 3516), No. 2006-03 dated October 31, 2006 (2006, *G.O.* 2, 3586) and No. 2008-06 dated March 4, 2008 (2008, *G.O.* 2, 726).

## REGULATION TO AMEND REGULATION 81-105 RESPECTING MUTUAL FUND SALES PRACTICES\*

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (34); 2008, c. 24; s. 225, 2009, c. 25, s. 45)

**1.** Section 1.1 of Regulation 81-105 respecting Mutual Fund Sales Practices is amended by replacing the definition of “representative” with the following:

““representative” ” means, for a participating dealer,

- (a) a partner, director, officer or employee of the participating dealer,
- (b) an individual who trades securities on behalf of the participating dealer, whether or not the individual is employed by the dealer, and
- (c) any company through which a person referred to in paragraphs (a) or (b) carries on activities in connection with services provided to the participating dealer;”.

**2.** Section 1.2 of the Regulation is replaced with the following:

### **“1.2. Interpretation**

Terms defined in Regulation 81-102 respecting Mutual Funds adopted pursuant to decision no. 2001-C-0209 dated May 22, 2001 and used in this Regulation have the respective meanings ascribed to them in Regulation 81-102 respecting Mutual Funds.”.

**3.** The Regulation is amended by replacing, wherever they appear in the French text, the words “préposé” and “préposés” with the words “représentant” and “représentants”, respectively.

**4.** This Regulation comes into force on September 28, 2009.

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\* Regulation 81-105 respecting Mutual Fund Sales Practices, adopted on May 22, 2001 pursuant to Decision No. 2001-C-0212 and published in the Supplement to the Bulletin of the *Commission des valeurs mobilières du Québec*, Vol. 32, No. 22, dated June 1, 2001, was amended by the Regulation to amend National Instrument 81-105, Mutual Fund Sales Practices approved by Ministerial Order No. 2005-19 dated August 10, 2005 (2005, *G.O.* 2, 3516).

**REGULATION TO AMEND REGULATION 81-107 RESPECTING INDEPENDENT REVIEW COMMITTEE FOR INVESTMENT FUNDS\***

Securities Act

(R.S.Q. c. V-1.1, s. 331.1, pars. (17) and (34); 2008, c. 24; s. 225, 2009, c. 25, s. 45)

**1.** Section 6.2 of Regulation 81-107 respecting Independent Review Committee for Investment Funds is amended:

(1) in the French text of paragraph (1):

(a) by replacing, in the introductory phrase, the words “à la société de gestion qui en assure la gestion ou à une entité apparentée à la société de gestion” with the words “à son gestionnaire ou à une entité apparentée au gestionnaire”;

(b) by replacing, in subparagraph (b), the words “la société de gestion qui assure la gestion du fonds d’investissement” with the words “son gestionnaire”;

(2) by deleting paragraph (4).

**2.** Appendix A of the Regulation is amended:

(1) by adding, in the column “**JURISDICTION**”, after “New Brunswick”, “Northwest Territories”;

(2) by adding, in the column “**SECURITIES LEGISLATION REFERENCE**”, opposite “Northwest Territories”, “Part 11 – Insider Reporting and Early Warning of the Securities Act (Northwest Territories)”;

(3) by adding, after the words “Part 4 of Regulation 81-102 respecting Mutual Funds”, the words “and section 13.5 of Regulation 31-103 respecting Registration Requirements and Exemptions approved by Ministerial Order no. 2009-04 dated September 9, 2009”.

**3.** Appendix B of the Regulation is replaced with the following :

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\* Regulation 81-107 respecting Independent Review Committee for Investment Funds, approved by Ministerial Order No. 2006-02 dated October 31, 2006 (2006, G.O. 2, 3593), has not been amended since its approval.

**“APPENDIX B**

**INTER-FUND SELF-DEALING CONFLICT OF INTEREST PROVISIONS**

<b>JURISDICTION</b>	<b>LEGISLATION REFERENCE</b>
Alberta	Section 13.5(2)(b) of <i>Regulation 31-103 respecting Registration Requirements and Exemptions</i>
British Columbia	Section 127(1)(b) of the <i>Securities Act</i> (R.S.B.C. 1996, c. 418) Section 13.5(2)(b) of <i>Regulation 31-103 respecting Registration Requirements and Exemptions</i>
Manitoba	Section 13.5(2)(b) of <i>Regulation 31-103 respecting Registration Requirements and Exemptions</i>
New Brunswick	Section 144(1)(b) of the <i>Securities Act</i> (S.N.B. 2004, c. S-5.5) Section 11.7(6) of Local Rule 31-501 Registration Requirements dated May 17, 2005 Section 13.5(2)(b) of <i>Regulation 31-103 respecting Registration Requirements and Exemptions</i>
Newfoundland and Labrador	Section 119(2)(b) of the <i>Securities Act</i> (R.S.N.L. 1990, c. S-13) Section 103(6) of the <i>Securities Regulations</i> (C.N.L.R. 805/96) Section 13.5(2)(b) of <i>Regulation 31-103 respecting Registration Requirements and Exemptions</i>
Northwest Territories	Section 13.5(2)(b) of <i>Regulation 31-103 respecting Registration Requirements and Exemptions</i>
Nova Scotia	Section 126(2)(b) of the <i>Securities Act</i> (R.S.N.S. 1989, c. 418) Section 32(6) of the General Securities Rules Section 13.5(2)(b) of <i>Regulation 31-103 respecting Registration Requirements and Exemptions</i>
Nunavut	Section 13.5(2)(b) of <i>Regulation 31-103 respecting Registration Requirements and Exemptions</i>
Ontario	Section 13.5(2)(b) of <i>Regulation 31-103 respecting Registration Requirements and Exemptions</i>
Prince Edward Island	Section 38.1(6) of Securities Act Regulations (R.S.P.E.I. 1988, c. S-3) Section 13.5(2)(b) of <i>Regulation 31-103 respecting Registration Requirements and Exemptions</i>

Quebec	Section 13.5(2)(b) of <i>Regulation 31-103 respecting Registration Requirements and Exemptions</i>
Saskatchewan	Section 13.5(2)(b) of <i>Regulation 31-103 respecting Registration Requirements and Exemptions</i>
Yukon	Section 13.5(2)(b) of <i>Regulation 31-103 respecting Registration Requirements and Exemptions</i>

”.

**4.** The Regulation is amended:

(1) by deleting, wherever they appear, the words “or company”;

(2) by replacing, wherever they appear in the French text, the words “membre de la direction” and “membres de la direction” with the words “dirigeant” and “dirigeants” and the words “société de gestion”, “la société de gestion”, “à la société de gestion”, “de la société de gestion”, “la nouvelle société de gestion” and “la même société de gestion” with the words “gestionnaire”, “le gestionnaire”, “au gestionnaire”, “du gestionnaire”, “le nouveau gestionnaire” and “le même gestionnaire”, respectively, and making the necessary changes.

**5.** This Regulation comes into force on September 28, 2009.

**REGULATION TO REPEAL POLICY STATEMENT Q-9, DEALERS, ADVISERS AND REPRESENTATIVES\***

## Securities Act

(R.S.Q., c. V-1.1, s. 331.1, pars. (1), (2), (3), (8), (9), (11), (25), (26), (27) and (34); 2008, c. 24; s. 225, 2009, c. 25, s. 45)

- 1.** Policy Statement Q-9, *Dealers, Advisers and Representatives* is repealed.
- 2.** This Regulation comes into force on September 28, 2009.

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\* Policy Statement Q-9, Dealers, Advisers and Representatives was adopted on March 3, 2003 pursuant to Decision No. 2003-C-0090 and published in the Supplement to the Bulletin of the *Commission des valeurs mobilières du Québec*, Vol. 34, No. 19, dated May 16, 2003, and has not been amended since its adoption.

**REGULATION TO AMEND REGULATION Q-17 RESPECTING RESTRICTED SHARES\***

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, pars. (7) and (8); 2008, c. 24; s. 225, 2009, c. 25, s. 45)

- 1.** Sections 1, 3 and 20 to 22 of Regulation Q-17 respecting Restricted Shares are repealed.
- 2.** This Regulation comes into force on September 28, 2009.

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\* Regulation Q-17 respecting Restricted Shares, adopted on June 12, 2001 pursuant to Decision No. 2001-C-0264 and published in the Supplement to the Bulletin of the *Commission des valeurs mobilières du Québec*, Vol. 32, No. 26, dated June 29, 2001, was amended by the amendments to *Instruction générale Q-17, Les actions subalternes* adopted on June 12, 2001 pursuant to Decision No. 2001-C-0265 and published in the Supplement to the Bulletin of the *Commission des valeurs mobilières du Québec*, Vol. 32, No. 26, dated June 29, 2001, and by the regulations to amend the Regulation approved by Ministerial Orders No. 2005-04 dated May 19, 2005 (2005, *G.O.* 2, 1496) and No. 2008-06 dated March 4, 2008 (2008, *G.O.* 2, 726).

**REGULATION TO AMEND THE SECURITIES REGULATION\***

## Securities Act

(R.S.Q., c. V-1.1, s. 331.1, pars. (1), (2), (3), (6), (7), (8), (9), (11), (12), (13), (15), (25), (26), (27), (29) and (34); 2008, c. 24; s. 225, 2009, c. 25, s. 45)

- 1.** Section 1.7 of the Securities Regulation is amended by replacing the words "to which the Act" with the words "to which the Securities Act (R.S.Q., c. V-1.1)".
- 2.** Sections 20, 24 and 25 of the Regulation are repealed.
- 3.** Title V of the Regulation, consisting of sections 190 to 252.1, is replaced by the following:

**"TITLE V**

"Dealers, advisers, representatives, investment fund managers, chief compliance officer and ultimate designated person

**"CHAPTER I**

"Conditions and effects of registration

**"190.** An applicant for registration as a dealer, adviser, representative, investment fund manager, chief compliance officer or ultimate designated person must include with their application for registration the fees prescribed by Chapter II of Title VI.

**"191.** Registration is valid until it is revoked. It requires the annual payment of the fees prescribed by Chapter II of Title VI.

**"192.** Registration as a dealer or as a representative of a dealer is not required for the following:

(1) an issuer that limits its activities as a dealer to the distribution, under a prospectus exemption pursuant to section 41 of the Act, of securities of its own issue, provided that such distributions are only a secondary activity of the issuer;

(2) a bank or an authorized foreign bank listed in Schedules I, II and III to the Bank Act (Statutes of Canada 1991, c. 46), the Caisse centrale Desjardins du Québec established under the Act respecting the Mouvement Desjardins (S.Q. 1989, c. 113), a

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\* The Securities Regulation, enacted by Order-in-Council No. 660-83 dated March 30, 1983 (1983, G.O. 2, 1269), was last amended by the Regulation approved by Order-in-Council No. 429-2009 dated April 8, 2009. For previous amendments, refer to the "Tableau des modifications et Index sommaire," *Éditeur officiel du Québec*, 2009, updated to April 1, 2009.



financial services cooperative within the meaning of the Act respecting financial services cooperatives (R.S.Q., c. C-67.3) or a société d'entraide économique or federation of sociétés d'entraide économique governed by the Act respecting the sociétés d'entraide économique (R.S.Q., c. S-25.1) to the extent that it distributes or sells securities pursuant to paragraphs (1) and (2) of section 41 of the Act;

(3) a bank or a foreign bank, the Caisse centrale Desjardins du Québec or a financial services cooperative contemplated in paragraph (2) or a trust company licensed under the Act respecting trust companies and savings companies (R.S.Q., c. S-29.01) to the extent that its activities as a dealer are solely to execute on an exchange or on the over-the-counter market, through a registered dealer, orders received without solicitation or advertisement;

(4) a bank or an authorized foreign bank listed in Schedules I, II and III to the Bank Act (S.C. 1991, c. 46 [R.S.C. c. B-1.01]) or a trust company licensed under the Act respecting trust companies and savings companies (chapter S-29.01) to the extent that it transacts bonds on its premises in response to unsolicited orders, by buying or selling and carrying out the order for its own account with a registered dealer.

**"193.** A mutual fund or scholarship plan dealer must, while registered, maintain liability insurance that is consistent with the requirements in section 194. It must also ensure that every representative acting on its behalf without being an employee carries liability insurance that is consistent with the requirements in section 195.

**"194.** The insurance contract covering the professional liability insurance of a mutual fund or scholarship plan dealer must satisfy the following requirements:

(1) The coverage amount must not be less than \$500,000 per claim and, for each 12-month period, not less than the following amounts:

(a) \$1,000,000 for a dealer having 3 representatives or less acting on its behalf;

(b) \$2,000,000 for a dealer having more than 3 representatives acting on its behalf;

(2) The insurance contract may stipulate a deductible not exceeding the following amounts:

(a) \$10,000 for a dealer having 3 representatives or less acting on its behalf;

(b) \$25,000 for a dealer having more than 3 representatives acting on its behalf;

(3) The insurance contract must also contain provisions relating to the following elements:

(a) coverage is provided for liability arising from the fault, errors, negligence, or omissions committed by it in pursuing activities as a dealer, or arising from the fault, errors, negligence, or omissions committed by its mandataries, its employees or the trainees of its representatives in the performance of their duties, regardless of whether or not such persons are still so engaged on the date of the claim;

(b) the coverage provided in respect of the activities of the dealer for the period during which the contract is in effect extends beyond the period of insurance provided for therein in respect of the activities contemplated by such coverage for a further term of five years from the date the dealer's registration was cancelled or suspended;

(c) the time within which an insurer must notify the Authority of its intention not to renew the contract or to cancel the contract is 30 days prior to the date of non-renewal or cancellation;

(d) the insurer must notify the Authority upon receiving notice of non-renewal or cancellation of the insurance contract;

(e) the insurer must notify the Authority of the receipt of any claim, regardless of whether or not the insurer decides to honour the claim.

The deductible amount stipulated in the insurance contract may nevertheless be greater than the amount set out in subparagraphs (a) and (b) of subparagraph (2) of the first paragraph, provided that the insured maintains at all times liquid assets at least equal to the amount stipulated in the contract. For purposes of this section, "liquid assets" means the total of cash and securities immediately convertible into cash.

**"195.** The insurance contract covering the professional liability of a representative acting on behalf of, but not employed by, a dealer contemplated in section 194, must satisfy the following requirements:

(1) The coverage amount must not be less than \$500,000 per claim and \$1,000,000 per year;

(2) No deductible amount stipulated in the contract may exceed \$10,000;

(3) The insurance contract must also contain provisions relating to the following elements and to those set out in subparagraphs (c) to (e) of subparagraph (3) of section 194 to the effect that:

(a) coverage is provided for liability arising from the fault, errors, negligence, or omissions committed by him in pursuing activities as a representative, or arising from the fault, errors, negligence, or omissions committed by his mandataries, employees or trainees in the performance of their duties, regardless of whether or not such persons are still so engaged on the date of the claim;

(b) the coverage provided in respect of his activities during the period for which the contract is in effect extends beyond the period of insurance provided for therein for a further term of 5 years from the date the representative ceases to pursue activities, regardless of whether or not he is still alive.

**"196.** An investment dealer and, where applicable, an exempt market dealer and a restricted dealer, must participate in a contingency fund deemed acceptable to the Authority.

## **"CHAPTER II**

### **"TRANSACTIONS INTENDED TO FIX OR STABILIZE THE MARKET PRICE OF A SECURITY**

**"197.** Any transaction intended to fix or stabilize the market price of a security is prohibited except where it is made by the firm underwriter from the time of the receipt for the prospectus in its final form to the end of the distribution or by the firm purchaser during a secondary distribution for the sole purpose of facilitating the distribution or the secondary distribution, and in accordance with the following conditions:

(1) the transaction is made at a market price that is not higher than the bid price of the securities that are the object of the distribution or of the secondary distribution;

(2) the transaction is made only for the purpose of preventing or delaying a decline in the open market price of a security;

(3) the dealer who effects the transaction does not have priority over another person who wishes to buy at the same price;

(4) the transaction is not made on a security being distributed during a distribution or a secondary distribution made through the facilities of a recognized securities exchange.

**"198.** The requirements of section 197 do not apply in the case of transactions made through the facilities of a securities exchange recognized by the Authority in accordance with the operating rules of that exchange by a specialist acting within the scope of his function.

"199. Any transaction intended to fix or stabilize the market price of the securities proposed in exchange is prohibited during a take-over bid by way of exchange."

**4.** Form 2 of the Regulation is repealed.

**5.** Registration as an adviser is not required for a person that acts as an adviser only to accredited investors referred to in paragraph *a, b, c, d, f, g, i, p*, in subparagraph *i* of paragraph *q* or in paragraph *v* of the definition of "accredited investor" provided for in section 1.1 of Regulation 45-106 respecting Prospectus and Registration Exemptions approved by Ministerial Order no. 2009-05 dated September 9, 2009 and in respect of whom the exemption provided for in section 3.3 thereof applies.

The first paragraph does not apply to a person that carries on business in respect of a trust company or trust corporation registered or authorized to carry on business in a foreign jurisdiction referred to in paragraph *p* of the definition of "accredited investor" or in respect of a person registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a foreign jurisdiction referred to in subparagraph *i* of paragraph *q* of this definition.

This section ceases to have any effect on December 28, 2009.

**6.** This Regulation comes into force on September 28, 2009.