

proceeding (the Proceeding) arising out of, relating to or concerning the issuance and maintenance of credit ratings or the obligations of the CRO as a designated rating organization, and irrevocably waives any right to raise as a defence in any such Proceeding any alleged lack of jurisdiction to bring such Proceeding.

7. The CRO irrevocably and unconditionally submits to the non-exclusive jurisdiction of

(a) the judicial, quasi-judicial and administrative tribunals of each of the provinces and territories of Canada in which it is a designated rating organization; and

(b) any administrative proceeding in any such province or territory,

in any Proceeding arising out of or related to or concerning the issuance or maintenance of credit ratings or the obligations of the CRO as a designated rating organization.

8. This submission to jurisdiction and appointment of agent for service of process is governed by and construed in accordance with the laws of [insert province or territory of above address of Agent].

Signature of Credit
Rating Organization

Date

Print name and title of signing officer
of Credit Rating Organization

AGENT

The undersigned accepts the appointment as agent for service of process of [insert name of CRO] under the terms and conditions of the appointment of agent for service of process set out in this document.

Signature of Agent

Date

Print name of person signing and, if Agent
is not an individual, the title of the person

1980

M.O., 2012-05

Order number V-1.1-2012-05 of the Minister for Finance, 3 April 2012

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

CONCERNING concordant regulations to Regulation 25-101 respecting Designated Rating Organizations

WHEREAS subparagraphs 1, 6, 9.2, 11, 20, 33.7 and 34 of section 331.1 of the Securities Act (R.S.Q., c. V-1.1) provide 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 provide 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 provide 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 on any later date specified in the regulation;

WHEREAS the sixth paragraph of the said section provides that a draft regulation under Chapter II of Title X and paragraphs 33.1 to 33.9 of section 331.1 may be submitted for approval only if accompanied by a favourable notice from the Minister responsible for Canadian Intergovernmental Affairs;

WHEREAS Order in Council no. 930-2011 of September 14, 2011 concerning the Minister for Finance provides that the Minister for Finance exercises, under the supervision of the Minister of Finance, the functions for the application of the Securities Act;

WHEREAS the following regulations have been approved by Ministerial Order:

— Regulation 11-102 respecting passport system approved by ministerial order no. 2008-04 dated March 4, 2008 (2008, *G.O.* 2, 787);

— Regulation 41-101 respecting general prospectus requirements, approved by ministerial order no. 2008-05 dated March 4, 2008 (2008, *G.O.* 2, 810);

— Regulation 44-101 respecting short form prospectus distributions approved by ministerial order no. 2005-24 dated November 30, 2005 (2005, *G.O.* 2, 5183);

— Regulation 51-102 respecting continuous disclosure obligations approved by ministerial order no. 2005-03 dated May 19, 2005 (2005, *G.O.* 2, 1507);

WHEREAS there is cause to amend those regulations;

WHEREAS the following draft regulations were published in the Bulletin de l’Autorité des marchés financiers, volume 9, no. 4 of January 27, 2012:

— Regulation to amend Regulation 11-102 respecting passport system;

— Regulation to amend Regulation 41-101 respecting general prospectus requirements;

— Regulation to amend Regulation 44-101 respecting short form prospectus distributions;

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

WHEREAS those draft regulations were made by the Autorité des marchés financiers by decision no. 2012-PDG-0037 dated March 1, 2012;

WHEREAS the draft Regulation to amend Regulation 11-102 respecting passport system is accompanied by a favourable notice from the Minister responsible for Canadian Intergovernmental Affairs;

WHEREAS there is cause to approve those regulations without amendment;

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

— Regulation to amend Regulation 11-102 respecting passport system;

— Regulation to amend Regulation 41-101 respecting general prospectus requirements;

— Regulation to amend Regulation 44-101 respecting short form prospectus distributions;

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

3 April 2012

ALAIN PAQUET,
Minister for Finance

Regulation to amend Regulation 11-102 respecting passport system

Securities Act
(R.S.Q., c. V-1.1, s. 331.1, par. (9.2), (11), (33.7) and (34); S.Q. 2009, c. 58, s. 138)

1. Regulation 11-102 respecting Passport System (R.R.Q., c. V-1.1, r. 1) is amended by inserting, after section 4A.10, the following:

“PART 4B APPLICATION TO BECOME A DESIGNATED RATING ORGANIZATION

“4B.1. Specified jurisdiction

For the purposes of this Part, the specified jurisdictions are British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and New Brunswick.

“4B.2. Principal regulator – general

The principal regulator for an application by a credit rating organization to become a designated rating organization is

(a) the securities regulatory authority or regulator of the jurisdiction in which the head office of the credit rating organization is located,

(b) if the head office for a credit rating organization is not in a jurisdiction of Canada, the securities regulatory authority or regulator of the jurisdiction in which the largest branch office of the credit rating organization is located, or

(c) if neither the head office or a branch office of the credit rating organization is located in a jurisdiction of Canada, the securities regulatory authority or regulator of the jurisdiction with which the credit rating organization has the most significant connection.

“4B.3. Principal regulator – head office not in a specified jurisdiction

If the jurisdiction identified under section 4B.2 is not a specified jurisdiction, the principal regulator for the application is the securities regulatory authority or regulator of the specified jurisdiction with which the credit rating organization has the most significant connection.

“4B.4. Principal regulator – designation not sought in principal jurisdiction

If a credit rating organization is not seeking to become a designated rating organization in the jurisdiction of the principal regulator, as determined under section 4B.2 or 4B.3, as applicable, the principal regulator for the designation is the securities regulatory authority or regulator in the specified jurisdiction

(a) in which the credit rating organization is seeking the designation, and

(b) with which the credit rating organization has the most significant connection.

“4B.5. Discretionary change of principal regulator for application for designation

Despite sections 4B.2, 4B.3 and 4B.4, if a credit rating organization receives written notice from a securities regulatory authority or regulator that specifies a principal regulator for the credit rating organization’s application, the securities regulatory authority or regulator specified in the notice is the principal regulator for the designation.

“4B.6. Deemed designation of a credit rating organization

(1) If an application to become a designated rating organization is made by a credit rating organization in the principal jurisdiction, the credit rating organization is deemed to be a designated rating organization in a local jurisdiction if

(a) the local jurisdiction is not the principal jurisdiction for the application,

(b) the principal regulator for the application designated the credit rating organization and that designation is in effect,

(c) the credit rating organization that applied to be designated gives notice to the securities regulatory authority or regulator that this subsection is intended to be relied upon for the designation in the local jurisdiction, and

(d) the credit rating organization complies with any terms, conditions, restrictions or requirements imposed by the principal regulator as if they were imposed in the local jurisdiction.

(2) For the purpose of paragraph (1)(c), the credit rating organization may give the notice referred to in that paragraph by giving it to the principal regulator.”.

2. Appendix D of the Regulation is amended by inserting, immediately under the row containing the words “Institutional trade matching and settlement”, the following:

“ Designated rating organizations	Regulation 25-101	”.
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3. Appendix E of the Regulation is amended by inserting, after “— Regulation 24-101 respecting Institutional Trade Matching and Settlement;”, “— Regulation 25-101 respecting Designated Rating Organizations;”.

4. This Regulation comes into force on April 20, 2012.

Regulation to amend Regulation 41-101 respecting general prospectus requirements

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

1. Form 41-101F1 of Regulation 41-101 respecting General Prospectus Requirements (R.R.Q., c. V-1.1, r. 14) is amended:

(1) by replacing section 10.9 with the following:

“10.9. Ratings

(1) If the issuer has asked for and received a credit rating, or if the issuer is aware that it has received any other kind of rating, including a stability rating or a provisional rating, from one or more credit rating organizations for securities of the issuer that are outstanding, or will be outstanding, and the rating or ratings continue in effect, disclose

(a) each rating received from a credit rating organization;

(b) for each rating disclosed under paragraph (a), the name of the credit rating organization that has assigned the rating;

(c) a definition or description of the category in which each credit rating organization rated the securities and the relative rank of each rating within the organization’s overall classification system;

(d) an explanation of what the rating addresses and what attributes, if any, of the securities are not addressed by the rating;”.

(e) any factors or considerations identified by the credit rating organization as giving rise to unusual risks associated with the securities;

(f) a statement that a credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization; and

(g) any announcement made by, or any proposed announcement known to the issuer that is to be made by, a credit rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

(2) If payments were, or reasonably will be, made to a credit rating organization that provided a rating described in subsection (1), state that fact and state whether any payments were made to the credit rating organization in respect of any other service provided to the issuer by the credit rating organization during the last two years.

INSTRUCTIONS

There may be factors relating to a security that are not addressed by a credit rating organization when they give a rating. For example, in the case of cash settled derivative instruments, factors in addition to the credit-worthiness of the issuer, such as the continued subsistence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be described by a credit rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under this section.

A provisional rating received before the issuer's most recently completed financial year is not required to be disclosed under this section.";

(2) by replacing, in the French text of subparagraph (a) of paragraph (4) of Item 22.1, the words “à l’égard de laquelle un séquestre” with the words “pour laquelle un séquestre”.

2. Form 41-101F2 of the Regulation is amended:

(1) by replacing, in the French text of subparagraph (a) of paragraph (4) of Item 19.9, the words “à l’égard de laquelle un séquestre” with the words “pour laquelle un séquestre”;

(2) by replacing section 21.8 with the following:

“21.8. Ratings

(1) If the investment fund has asked for and received a credit rating, or if the investment fund is aware that it has received any other kind of rating, including a stability rating or a provisional rating, from one or more credit rating organizations for securities of the investment fund that are outstanding, or will be outstanding, and the rating or ratings continue in effect, disclose

(a) each rating received from a credit rating organization;

(b) for each rating disclosed under paragraph (a), the name of the credit rating organization that has assigned the rating;

(c) a definition or description of the category in which each credit rating organization rated the securities and the relative rank of each rating within the organization's overall classification system;

(d) an explanation of what the rating addresses and what attributes, if any, of the securities are not addressed by the rating;

(e) any factors or considerations identified by the credit rating organization as giving rise to unusual risks associated with the securities;

(f) a statement that a credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization; and

(g) any announcement made by, or any proposed announcement known to the investment fund that is to be made by, a credit rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

(2) If payments were, or reasonably will be, made to a credit rating organization that provided a rating described in subsection (1), state that fact and state whether any payments were made to the credit rating organization in respect of any other service provided to the investment fund by the credit rating organization during the last two years.

INSTRUCTIONS

There may be factors relating to a security that are not addressed by a credit rating organization when they give a rating. For example, in the case of cash settled derivative instruments, factors in addition to the credit-worthiness of the issuer, such as the continued subsis-

tence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be described by a credit rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under this section.

A provisional rating received before the investment fund's most recently completed financial year is not required to be disclosed under this section."

3. The effect of this Regulation applies to a prospectus or a prospectus amendment of an issuer or an investment fund where the preliminary prospectus is filed on or after April 20, 2012; for all other prospectuses or prospectus amendments, the provisions of Regulation 41-101 respecting General Prospectus Requirements in force on April 19, 2012 apply.

4. This Regulation comes into force on April 20, 2012.

Regulation to amend Regulation 44-101 respecting short form prospectus distributions

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

1. Form 44-101F1 of Regulation 44-101 respecting Short Form Prospectus Distributions (R.R.Q., c. V-1.1, r. 16) is amended:

(1) by replacing Item 7.9 with the following:

“7.9. Ratings

(1) If the issuer has asked for and received a credit rating, or if the issuer is aware that it has received any other kind of rating, including a stability rating or a provisional rating, from one or more credit rating organizations for securities of the issuer that are outstanding, or will be outstanding, and the rating or ratings continue in effect, disclose

(a) each rating received from a credit rating organization;

(b) for each rating disclosed under paragraph (a), the name of the credit rating organization that has assigned the rating;

(c) a definition or description of the category in which each credit rating organization rated the securities and the relative rank of each rating within the organization's overall classification system;

(d) an explanation of what the rating addresses and what attributes, if any, of the securities are not addressed by the rating;

(e) any factors or considerations identified by the credit rating organization as giving rise to unusual risks associated with the securities;

(f) a statement that a credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization; and

(g) any announcement made by, or any proposed announcement known to the issuer that is to be made by, a credit rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

(2) If payments were, or reasonably will be, made to a credit rating organization that provided a rating described in subsection (1), state that fact and state whether any payments were made to the credit rating organization in respect of any other service provided to the issuer by the credit rating organization during the last two years.

INSTRUCTIONS

There may be factors relating to a security that are not addressed by a credit rating organization when they give a rating. For example, in the case of cash settled derivative instruments, factors in addition to the credit-worthiness of the issuer, such as the continued subsistence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be described by a credit rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under this section.

A provisional rating received before the issuer's most recently completed financial year is not required to be disclosed under this section."

(2) in paragraph (4) of Item 16.1:

(a) by replacing, in the French text of subparagraph (a), the words “ou bien un séquestre” with the words “ou pour laquelle un séquestre”;

(b) by replacing, in the French text of subparagraph (b), the words “ou si un séquestre” with the words “ou un séquestre”.

2. The effect of this Regulation applies to a short form prospectus or a short form prospectus amendment of an issuer where the preliminary short form prospectus is filed on or after April 20, 2012; for all other short form prospectuses or short form prospectus amendments, the provisions of Regulation 44-101 respecting Short Form Prospectus Distributions in force on April 19, 2012 apply.

3. This Regulation comes into force on April 20, 2012.

Regulation to amend Regulation 51-102 respecting continuous disclosure obligations

Securities Act
(R.S.Q., c. V-1.1, s. 331.1, par. (1) and (20))

1. Section 13.4 of Regulation 51-102 respecting Continuous Disclosure Obligations (R.R.Q., c. V-1.1, r. 24) is amended by replacing, in subparagraph (g) of paragraph (2), the words “the interim and annual consolidated financial statements” with the words “each consolidated interim financial report and consolidated annual financial statements”.

2. Part 2 of Form 51-102A1 of the Regulation is amended:

(1) by replacing, in the French text of subparagraph (A) of paragraph (ii) of the instructions to Item 1.6, the words “cote de solvabilité” with the word “notation”;

(2) by replacing, wherever it occurs in the French text of Item 1.10, the word “redressements” with the word “ajustements”.

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

(1) by replacing section 7.3 with the following:

“7.3. Ratings

(1) If you have asked for and received a credit rating, or if you are aware that you have received any other kind of rating, including a stability rating or a provisional rating, from one or more credit rating organizations for

securities of your company that are outstanding, or will be outstanding, and the rating or ratings continue in effect, disclose

(a) each rating received from a credit rating organization;

(b) for each rating disclosed under paragraph (a), the name of the credit rating organization that has assigned the rating;

(c) a definition or description of the category in which each credit rating organization rated the securities and the relative rank of each rating within the organization’s overall classification system;

(d) an explanation of what the rating addresses and what attributes, if any, of the securities are not addressed by the rating;

(e) any factors or considerations identified by the credit rating organization as giving rise to unusual risks associated with the securities;

(f) a statement that a credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization; and

(g) any announcement made by, or any proposed announcement known to your company that is to be made by, a credit rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

(2) If payments were, or reasonably will be, made to a credit rating organization that provided a rating described in subsection (1), state that fact and state whether any payments were made to the credit rating organization in respect of any other service provided to your company by the credit rating organization during the last two years.

INSTRUCTIONS

There may be factors relating to a security that are not addressed by a credit rating organization when they give a rating. For example, in the case of cash settled derivative instruments, factors in addition to the credit-worthiness of the issuer, such as the continued subsistence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be

described by a credit rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under section 7.3.

A provisional rating received before the company's most recently completed financial year is not required to be disclosed under section 7.3.”;

(2) by replacing, in the French text of subparagraph (a) of paragraph 1.2 of Item 10.2, the words “ou si un séquestre” with the words “ou pour laquelle un séquestre”.

4. Part 2 of Form 51-102A5 of the Regulation is amended by replacing, in the French text of paragraph (b) of Item 7.2, the words “ou si un séquestre” with the words “ou pour laquelle un séquestre”.

5. The effect of this Regulation applies only to documents required to be prepared, filed, delivered or sent under Regulation 51-102 respecting Continuous Disclosure Obligations for periods relating to a financial year ending on or after April 20, 2012; for documents required to be prepared, filed, delivered or sent under that Regulation for periods relating to a financial year ending before April 20, 2012, the provisions of that Regulation in force on April 19, 2012 apply.

6. This Regulation comes into force on April 20, 2012.