

**APPENDIX E**

**PROPOSED AMENDMENTS TO NATIONAL INSTRUMENT 44-101  
SHORT FORM PROSPECTUS DISTRIBUTIONS AND COMPANION POLICY**

**Schedule E-1**

**Proposed Amendments to  
National Instrument 44-101 *Short Form Prospectus Distributions***

1. *National Instrument 44-101 Short Form Prospectus Distributions is amended by this Instrument.*
2. *Section 1.1 is amended*

(a) *by replacing the definition of “approved rating” with the following:*

“designated rating” means, for a security, a rating issued by a designated rating organization, or its DRO affiliate, that is at or above one of the following rating categories or that is at or above a category that replaces one of the following rating categories:

<b>Designated Rating Organization</b>	<b>Long Term Debt</b>	<b>Short Term Debt</b>	<b>Preferred Shares</b>
DBRS Limited	BBB	R-2	Pfd-3
Fitch, Inc.	BBB	F3	BBB
Moody’s Canada Inc.	Baa	Prime-3	“baaa”
Standard & Poor’s Ratings Services (Canada)	BBB	A-3	P-3

(b) *in the definition of “cash equivalent”, by*

(i) *replacing “an approved rating” wherever it occurs with “a designated rating”, and*

(ii) *replacing “approved rating organization” with “designated rating organization or its DRO affiliate”, and*

(c) *after the definition of “current annual financial statements”, by adding the following definition:*

“DRO affiliate” has the same meaning as in section 1 of National Instrument 25-101 *Designated Rating Organizations*;

3. *Section 2.3 is amended*

- (a) *in the title, by replacing “Approved Rating” with “Designated Rating”,*
- (b) *in paragraph (1)(e), by*
  - (i) *replacing “an approved rating” wherever it occurs with “a designated rating”,*
  - (ii) *in subparagraph (e)(ii),*
    - (A) *replacing “an approved rating organization” with “a designated rating organization or its DRO affiliate”,*
    - (B) *replacing “approved rating” with “designated rating”, and*
  - (iii) *in subparagraph (e)(iii), replacing “approved rating organization” with “designated rating organization or its DRO affiliate”.*

4. *Subsection 2.4(1) is amended by*

- (a) *replacing “an approved rating” wherever it occurs with “a designated rating”,*
- (a) *replacing “an approved rating organization” wherever it occurs with “a designated rating organization or its DRO affiliate”,*
- (b) *replacing “any approved rating organization” wherever it occurs with “any designated rating organization or its DRO affiliate”,*
- (c) *in clause (c)(i)(B), replacing “approved rating” with “designated rating”, and*
- (d) *in clause(c)(ii)(B), replacing “approved rating” with “designated rating”.*

5. *Subsection 2.6(1) is amended by*

- (a) *replacing “an approved rating” wherever it occurs with “a designated rating”,*
- (b) *in subparagraph (c)(ii),*
  - (i) *replacing “an approved rating organization” with “a designated rating organization or its DRO affiliate”,*

- (ii) *replacing* “approved rating” *with* “designated rating”, *and*
  - (c) *in subparagraph (c)(iii), replacing* “approved rating organization” *with* “designated rating organization or its DRO affiliate”.
- 6. *Item 7.9 of Form 44-101F1 is amended by replacing* “securities of the issuer that are outstanding, or will be outstanding,” *with* “the securities being distributed”.
- 7. *This Instrument comes into force on ●, 2012.*

## Schedule E-2

### Proposed Changes to Companion Policy 44-101CP *Short Form Prospectus Distributions*

1. *The changes proposed to Companion Policy 44-101CP Short Form Prospectus Distributions are set out in this Schedule.*
2. *Subsection 1.7(1) is changed*
  - (a) *in the title, by replacing “Approved rating” with “Designated rating”,*
  - (b) *by replacing “an approved rating” wherever it occurs with “a designated rating”, and*
  - (c) *by replacing “rating agency” wherever it occurs with “designated rating organization or its DRO affiliate”.*
3. *Section 2.2 is changed by replacing “approved rating” with “designated rating”.*
4. *Section 2.4 is changed by*
  - (a) *replacing “an approved rating” wherever it occurs with “a designated rating”, and*
  - (b) *replacing “approved rating organization” with “designated rating organization or its DRO affiliate”.*
5. *The changes become effective on ●, 2012.*