

**Annex A**  
**Proposed Amendments to**  
**National Instrument 45-106 Prospectus and Registration Exemptions**

1. *National Instrument 45-106 Prospectus and Registration Exemptions is amended by this Instrument.*
2. *Section 1 is amended by replacing the definition of “eligible investor” with the following:*

**“eligible investor”** means

- (a) except in New Brunswick and Ontario, 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 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,
- (a.1) in New Brunswick and Ontario
  - (i) a person, other than an individual, whose net assets exceed \$400 000,
  - (ii) an individual whose net assets, alone or with a spouse, exceed \$250 000, excluding the value of the individual’s primary residence,
  - (iii) an individual whose 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
  - (iv) an individual whose net income before taxes, alone or with a spouse, 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(1) [*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;

**3. *The Instrument is amended by adding the following section:***

**1.1.1** In this Instrument, in Alberta, New Brunswick, Ontario, Québec, and Saskatchewan:

**“OM marketing materials”** means a written communication, other than an OM standard term sheet, intended for prospective purchasers regarding a distribution of securities under an offering memorandum that contains material facts relating to an issuer, securities or an offering;

**“OM standard term sheet”** means a written communication intended for prospective purchasers regarding a distribution of securities under an offering memorandum that

- (a) is dated,
- (b) includes the following legend, or words to the same effect, on the first page:

“This document does not provide disclosure of all information required for an investor to make an informed investment decision. Investors should read the offering memorandum, especially the risk factors relating to the securities offered, before making an investment decision.”,

- (c) contains only the following information in respect of the issuer, the securities or the offering:
- (i) the name of the issuer;
  - (ii) the jurisdiction or foreign jurisdiction in which the issuer's head office is located;
  - (iii) the statute under which the issuer is incorporated, continued or organized or, if the issuer is an unincorporated entity, the laws of the jurisdiction or foreign jurisdiction under which it is established and exists;
  - (iv) a brief description of the business of the issuer;
  - (v) a brief description of the securities;
  - (vi) the price or price range of the securities;
  - (vii) the total number or dollar amount of the securities, or range of the total number or dollar amount of the securities;
  - (viii) the names of any agent, finder or other intermediary, whether registered or not, involved with the offering and the amount of any commission, fee or discount payable to them;
  - (ix) the proposed or expected closing date of the offering;
  - (x) a brief description of the use of proceeds;
  - (xi) the exchange on which the securities are proposed to be listed, if any, provided that the OM standard term sheet complies with the requirements of securities legislation for listing representations;
  - (xii) in the case of debt securities, the maturity date of the debt securities and a brief description of any interest payable on the debt securities;
  - (xiii) in the case of preferred shares, a brief description of any dividends payable on the securities;
  - (xiv) in the case of convertible securities, a brief description of the underlying securities into which the convertible securities are convertible;
  - (xv) in the case of exchangeable securities, a brief description of the

underlying securities into which the exchangeable securities are exchangeable;

- (xvi) in the case of restricted securities, a brief description of the restriction;
  - (xvii) in the case of securities for which a credit supporter has provided a guarantee or alternative credit support, a brief description of the credit supporter and the guarantee or alternative credit support provided;
  - (xviii) whether the securities are redeemable or retractable;
  - (xix) a statement that the securities are eligible, or are expected to be eligible, for investment in registered retirement savings plans, tax-free savings accounts or other registered plans, if the issuer has received, or reasonably expects to receive, a legal opinion that the securities are so eligible;
  - (xx) contact information for the issuer or any registrant involved, and
- (d) for the purposes of paragraph (c), “brief description” means a description consisting of no more than three lines of text in type that is at least as large as that used generally in the body of the OM standard term sheet;

**“related issuer”** has the same meaning as in National Instrument 33-105 *Underwriting Conflicts*;

**“specified derivative”** has the same meaning as in National Instrument 44-102 *Shelf Distributions*;

**“structured finance product”** has the same meaning as in National Instrument 25-101 *Designated Rating Organizations*..

**4. Section 2.5 is replaced with the following:**

**2.5 (1)** Subject to section 2.6 [*Family, friends and business associates - Saskatchewan*] and section 2.6.1 [*Family, friends and business associates - 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).

**(2.1)** In Ontario, no commission, finder's fee, referral fee or similar payment may be paid to any person in connection with a distribution under subsection (1).

**[(3)** Subsection (1) does not apply to a distribution of a short-term securitized product.]<sup>1</sup>

**(4)** In Ontario, no advertising to solicit purchasers is permitted in connection with a distribution under subsection (1)..

**5. *The Instrument is amended by adding the following section:***

**2.6.1** (1) In Ontario, section 2.5 [*Family, friends and business associates*] does not apply to a distribution of a security of an issuer unless all of the following are satisfied:

- (a) the issuer is not an investment fund;

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<sup>1</sup> The language in subsection (3) was included in proposed amendments to NI 45-106 published on January 23, 2014 relating to short term securitized instruments.

- (b) the security is
  - (i) a common share of the issuer,
  - (ii) a non-convertible preference share of the issuer,
  - (iii) a security convertible into securities referred to in subparagraphs (i) or (ii),
  - (iv) a non-convertible debt security of the issuer linked to a fixed or floating interest rate,
  - (v) a unit of an issuer that is a limited partnership, or
  - (vi) a flow-through share under the ITA of the issuer;
- (c) the person making the distribution obtains a signed risk acknowledgement in the required form from a purchaser who is an individual signed by the purchaser and the applicable persons specified in subsection (2).

(2) The following persons are specified for the purpose of paragraph (1)(c):

- (a) an executive officer of the issuer, acting on behalf of the issuer;
- (b) if the distribution is to a purchaser who is a person specified in paragraph 2.5(1)(b) or (c), the director, executive officer or control person of the issuer or an affiliate of the issuer specified in that paragraph;
- (c) if the distribution is to a purchaser who is a person specified in paragraph 2.5(1)(d), the director, executive officer or control person of the issuer or an affiliate of the issuer specified in that paragraph;
- (d) if the distribution is to a purchaser who is a person specified in paragraph 2.5(1)(e), the director, executive officer or control person of the issuer or an affiliate of the issuer specified in that paragraph;
- (e) if the distribution is to a purchaser who is a person, other than a founder of the issuer, specified in paragraph 2.5(1)(f) or (g), the founder of the issuer specified in that paragraph.

(3) The person making the distribution must retain the required form described in paragraph (1)(c) for 8 years after the date of the distribution..

**6. Section 2.9 is replaced with the following:**

**2.9 (1)** In British Columbia, Newfoundland and Labrador and Nova Scotia 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 Manitoba, Northwest Territories, Nunavut, Prince Edward Island 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.

**(2.1)** In Alberta, Québec and Saskatchewan, the prospectus requirement does not apply to a distribution by an issuer of a security of its own issue to a purchaser if all of the following apply:

- (a) the purchaser purchases the security as principal;
- (b) the acquisition cost of all securities acquired by the purchaser under this section in the preceding 12 months does not exceed
  - (i) \$10 000 in the case of a purchaser that is not an eligible investor, and

- (ii) \$30 000 in the case of an eligible investor who is an individual, excluding a purchaser that is either of the following
  - (A) an accredited investor;
  - (B) a person described in subsection 2.5(1) [*Family, friends and business associates*];
- (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 in compliance with subsection (15) from each purchaser, other than a purchaser who qualifies as a “permitted client” in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;
- (d) the security distributed by the issuer is not either of the following:
  - (i) a specified derivative;
  - (ii) a structured finance product;
- (e) 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.

**(2.2)** In New Brunswick and Ontario, the prospectus requirement does not apply to a distribution by an issuer of a security of its own issue to a purchaser if all of the following apply:

- (a) the purchaser purchases the security as principal;
- (b) the acquisition cost of all securities acquired by a purchaser who is an individual under this section in the preceding 12 months does not exceed
  - (i) \$10 000 in the case of a purchaser who is not an eligible investor, and
  - (ii) \$30 000 in the case of a purchaser who is an eligible investor, excluding a purchaser that is an accredited investor;



- (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 in compliance with subsection (15) from each purchaser who is an individual, other than an individual who qualifies under paragraph (o) of the definition of “permitted client” in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;
- (d) the security distributed by the issuer is not either of the following:
  - (i) a specified derivative;
  - (ii) a structured finance product;
- (e) the issuer is not either of the following:
  - (i) a related issuer of any registrant involved in a distribution under this subsection;
  - (ii) an investment fund.

**(3)** In Manitoba, Northwest Territories, Nunavut, Prince Edward Island 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).

**(3.01)** In Alberta, New Brunswick, Ontario, Québec and Saskatchewan, this section does not apply to a distribution of a security to a person described in paragraph (a) or (a.1)(i) 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 either subsection (2.1) or (2.2).

[**(3.1)** Subsections (1), (2), (2.1) and (2.2) do not apply to the distribution of a short-term securitized product.]<sup>2</sup>

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<sup>2</sup> The language in subsection (3.1) was included in proposed amendments to National Instrument 45-106 *Prospectus and Registration Exemptions* published for comment on January 23, 2014 relating to short term securitized products.

(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 and Yukon under subsection (2).

(5) An offering memorandum delivered under this section must be in the required form.

(5.1) In Alberta, New Brunswick, Ontario, Québec and Saskatchewan an offering memorandum must

- (a) incorporate by reference any OM marketing materials related to a distribution under the offering memorandum, and is deemed to incorporate any OM marketing materials prepared after the date of the offering memorandum and delivered to a prospective purchaser before the termination of the distribution, and
- (b) state that all OM marketing materials relating to each distribution under the offering memorandum, including those prepared after the date of the offering memorandum, are incorporated by reference into the offering memorandum and are deemed to form part of the offering memorandum.

(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 2nd 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 or company 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 or company 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), (2), (2.1) or (2.2) must be in the required form and an issuer relying on subsection (1), (2), (2.1) or (2.2) 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), (2), (2.1) or (2.2) until midnight on the 2nd 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)** Except in New Brunswick and Ontario, the issuer must file with the securities regulatory authority a copy of an offering memorandum delivered under this section and any update of a previously filed offering memorandum on or before the 10th day after the distribution under the offering memorandum or update of the offering memorandum.

**[Note to reader:** A similar Ontario requirement to subsection 2.9(17) is provided for in OSC Rule 45-501 *Ontario Prospectus and Registration Exemptions* and in New Brunswick Implementing Instrument 45-802 *Prospectus and Registration Exemptions*.]

**(17.1)** In Alberta, Québec and Saskatchewan, the issuer must file with the securities regulatory authority a copy of all OM marketing materials required to be incorporated by reference into an offering memorandum filed under subsection (17) either

- (a) if the OM marketing materials are prepared on or before the filing of the offering memorandum, concurrently with the filing of the offering memorandum, or
- (b) if the OM marketing materials are prepared after the filing of the offering memorandum, within 10 days of the OM marketing materials being disclosed to a prospective purchaser.

**(17.2)** In New Brunswick and Ontario, the issuer must deliver to the securities regulatory authority a copy of all OM marketing materials required to be incorporated by reference into an offering memorandum delivered to the securities regulatory authority pursuant to, in New Brunswick, section 2.3 of New Brunswick Implementing Instrument 45-802

*Prospectus and Registration Exemptions* or, in Ontario, section 5.4 of OSC Rule 45-501 *Ontario Prospectus and Registration Exemptions*, either

- (a) if the OM marketing materials are prepared on or before the delivery of the offering memorandum, concurrently with the delivery of the offering memorandum, or
- (b) if the OM marketing materials are prepared after the delivery of the offering memorandum, within 10 days of the OM marketing materials being disclosed to a prospective purchaser.

**(17.3)** OM marketing materials required to be filed or delivered under subsection (17.1) or (17.2) must include a cover page clearly identifying the offering memorandum to which they relate.

**(17.4)** In Alberta, Québec and Saskatchewan, if the issuer is not a reporting issuer and not an investment fund, the issuer must within 120 days from the end of its financial year file and make available to a holder of a security acquired under subsection (2.1), audited annual financial statements of the issuer that comply with the requirements of both of the following, as if the issuer was a reporting issuer:

- (a) section 4.1 of National Instrument 51-102 *Continuous Disclosure Obligations*;
- (b) National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*.

**(17.5)** In Alberta, Québec and Saskatchewan, if the issuer is not a reporting issuer but is an investment fund, the issuer must within 120 days from the end of its financial year, file and make available to a holder of a security acquired under subsection (2.1), audited annual financial statements of the issuer that comply with the requirements of National Instrument 81-106 *Investment Fund Continuous Disclosure* as if the issuer was a reporting issuer.

**(17.6)** In New Brunswick and Ontario, if the issuer is not a reporting issuer, the issuer must within 120 days from the end of its financial year, deliver to the securities regulatory authority and make available to a holder of a security acquired under subsection (2.2) audited annual financial statements of the issuer that comply with the requirements of both of the following, as if the issuer was a reporting issuer:

- (a) section 4.1 of National Instrument 51-102 *Continuous Disclosure Obligations*;
- (b) National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*.

**(17.7)** The financial statements of an issuer referred to in subsections (17.4) (17.5) and (17.6) must be accompanied by a notice of the issuer disclosing in reasonable detail the use of the aggregate gross proceeds raised by the issuer in all distributions under subsections (2.1) and (2.2).

**(17.8)** An issuer is not required to provide the notice referred to in subsection (17.7) if it has disclosed in one or more prior notices the use of the aggregate gross proceeds raised by the issuer in all distributions under subsections (2.1) and (2.2).

**(17.9)** In New Brunswick and Ontario, if the issuer is not a reporting issuer, the issuer must make available to a holder of a security acquired under subsection (2.2) a notice of any of the following events, within 10 days of the occurrence of the event:

- (a) a fundamental change in the nature, or a discontinuation, of the issuer's business;
- (b) a significant change to the issuer's capital structure;
- (c) a major reorganization, amalgamation or merger involving the issuer;
- (d) a take-over bid, issuer bid or insider bid involving the issuer;
- (e) a significant acquisition or disposition of assets, property or joint venture interests;
- (f) changes to the issuer's board of directors or executive officers, including the departure of the issuer's chief executive officer, chief financial officer, chief operating officer or president or persons acting in similar capacities.

**(17.10)** In New Brunswick and Ontario, an issuer that is not a reporting issuer must continue to provide the disclosure required by subsections (17.6) and (17.9) until the earliest of

- (a) the date the issuer becomes a reporting issuer, or
- (b) the date the issuer ceases to carry on business.

**(17.11)** In Alberta, Québec and Saskatchewan an issuer that is not a reporting issuer must continue to provide the disclosure required by subsection (17.4) or (17.5), as applicable, until the earliest of

- (a) the date the issuer becomes a reporting issuer, or
- (b) the date the issuer ceases to carry on business.



**(17.12)** In Ontario, a non-reporting issuer that distributes securities in reliance on the exemption in subsection (2.2) is designated a market participant under the *Securities Act* (Ontario).

**(17.13)** In New Brunswick, a non-reporting issuer that distributes securities in reliance on the exemption in subsection (2.2) is designated a market participant under the *Securities Act* (New Brunswick).

**(18)** Repealed. [B.C. Reg. 86/2011, s. (e).].

**7. Part 6 is replaced with the following:**

**6.1 (1)** Subject to subsection (2) and section 6.2 [*When report not required*], 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), (2), (2.1) or (2.2) [*Offering memorandum*];
- (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 (1)** An issuer is not required to file a report under section 6.1(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) Except in Alberta, New Brunswick, Ontario and Saskatchewan, 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.

(3) In Alberta, New Brunswick, Ontario and Saskatchewan, 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 end of each calendar quarter..

**6.3 (1)** The required form of report under section 6.1 [*Report of exempt distribution*] is:

- (a) Form 45-106F1 in all jurisdictions except Alberta, British Columbia, New Brunswick, Ontario and Saskatchewan;
- (b) Form 45-106F6 in British Columbia; and
- (c) in Alberta, New Brunswick, Ontario and Saskatchewan,
  - (i) Form 45-106F10, if the issuer is an investment fund
  - (ii) Form 45-106F11, if the issuer is not an investment fund.

(1.1) Despite paragraph 1(c) in Alberta and Saskatchewan until January 1, 2017, a report required under section 6.1 may be prepared in Form 45-106F1 if the report is in respect of a distribution that the issuer concurrently conducted in a jurisdiction that requires the report to be prepared in that form.

(2) Except in Manitoba, an issuer that makes a distribution under an exemption from a prospectus requirement not provided for in this Instrument 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

- (a) Form 45-106F1, in all jurisdictions except Alberta, British Columbia, New Brunswick, Ontario and Saskatchewan,
- (b) in British Columbia, Form 45-106F6, or
- (c) in Alberta, New Brunswick, Ontario and Saskatchewan,
  - (i) Form 45-106F10, if the issuer is an investment fund, or
  - (ii) Form 45-106F11, if the issuer is not an investment fund.

(3) Despite paragraph (2)(c), in Alberta and Saskatchewan until January 1, 2017, an issuer that makes a distribution under an exemption from a prospectus requirement not provided for in this Instrument may prepare a report in Form 45-106F1 if the issuer

concurrently conducted a distribution in a jurisdiction that requires the report to be prepared in that form.

**6.4 (1)** The required form of offering memorandum under section 2.9 <sup>3</sup>[*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 (1)** Except in New Brunswick and Ontario, the required form of risk acknowledgement under subsection 2.9 (15) [*Offering memorandum*] is Form 45-106F4.

**(1.1) In New Brunswick and Ontario, the required form of risk acknowledgement under subsection 2.9(15) [*Offering memorandum*] is Form 45-106F13.**

**(1.2) Despite subsection (1) in Alberta until January 1, 2017, a form required under subsection 2.9(15) in respect of an individual may be prepared in Form 45-106F13 if the issuer concurrently conducts the distribution in a jurisdiction that requires a risk acknowledgment in Form 45-106F13.**

**(2) In Saskatchewan, the required form of risk acknowledgement under section 2.6 [*Family, friends and business associates*] is Form 45-106F5.**

**(3)** In Ontario, the required form of risk acknowledgement under section 2.6.1 [*Family, friends and business associates*] is Form 45-106F12.

**6.6** A person must not, directly or indirectly, use the information in Schedule I of a completed Form 45-106F6, in whole or in part, for any purpose other than research concerning the issuer for the person's own investment purpose..

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<sup>3</sup> Subsection 6.4(1) of the version of National Instrument 45-106 *Prospectus and Registration Exemptions* (NI 45-106) currently in force includes a reference to “section 3.9”. This section was an offering memorandum registration exemption that has been unavailable since March 27, 2010. As part of the proposed amendments to NI 45-106 published for comment on February 27, 2014, the CSA has proposed to delete this referenced. Therefore, we have not included it in this proposal.

8. *In Alberta, New Brunswick and Saskatchewan, this Instrument is amended by adding the following form:*

**PROPOSED FORM 45-106F10**  
**REPORT OF EXEMPT DISTRIBUTION FOR INVESTMENT FUND ISSUERS**  
**(ALBERTA, NEW BRUNSWICK, ONTARIO AND SASKATCHEWAN)**

[Notes to reader: This is an illustration of the proposed Form 45-106F10 Report of Exempt Distribution for Investment Fund Issuers. In Alberta, New Brunswick and Saskatchewan, this form will be a paper form. In Ontario, this form will be an e-form.]

When creating the final version of the e-form, we will incorporate the use of drop-down menus wherever appropriate in order to make the e-form more “user-friendly” and easier to complete. Pursuant to OSC Rule 11-501 Electronic Delivery of Documents to the Ontario Securities Commission, issuers are required to file the report electronically in Ontario. In certain sections below, we have included notes to the reader to help them understand how the e-form will appear online. These notes do not form part of the form.

In addition to the changes reflected in Form 45-106F10, we are proposing amendments to subsection 6.2(2) of NI 45-106 to increase the alternative frequency of the filing requirement from annually within 30 days after the financial year-end of the investment fund to quarterly within 30 days after each calendar quarter in which there has been a distribution.]

*See the instructions contained at the end of this form for assistance in completing the form.*

**INVESTMENT FUND/UNDERWRITER INFORMATION**

**ITEM 1 – PARTY COMPLETING THE REPORT**

Who is completing this report?

- Investment fund/Investment fund manager on behalf of the investment fund  
 Underwriter

Full legal name of investment fund	
Former name if changed since last report	
FundSERV Code	
Date investment fund created <i>(use the date the investment fund first became available to investors)</i>	

<i>(month/day/year)</i>	
Financial year-end of investment fund <i>(month/day)</i>	
Jurisdiction of organization of investment fund	[Note to reader: In Ontario, the e-form will contain a dropdown menu that will allow the filer to select a jurisdiction. It will also contain an “other” field that will allow the filer to enter the jurisdiction if unavailable in the list.]

If an underwriter is completing this report, also provide the following:

[Note to reader: In Ontario, the e-form will allow you to fill in the information below if “Underwriter” is selected]

Underwriter	
Full legal name of underwriter	
Street address	
City	
Province, territory, state or other equivalent	
Country	
Postal/zip code	
Business telephone number	
Business email address of underwriter’s chief executive officer or individual acting in that capacity	

**ITEM 2 – REPORTING ISSUER STATUS AND LISTING STATUS OF THE INVESTMENT FUND**

Is the investment fund a reporting issuer in any jurisdiction of Canada?

- Yes  
 No

If yes, provide the following information:

Jurisdiction(s) of Canada in which the investment fund is a reporting issuer	[Note to reader: In Ontario, the e-form contains a drop-down menu from which to select the jurisdiction(s) of Canada in which the investment fund is a reporting issuer]
SEDAR profile number	

Is the investment fund listed or traded on an exchange or through another marketplace (as defined in National Instrument 21-101 *Marketplace Operation*)?

- Yes  
 No

If yes, provide the following information:

Name all the exchanges or marketplaces that the investment fund is listed or traded on	[Note to reader: In Ontario, the e-form contains a drop-down menu from which to select the names of exchanges or marketplaces and also contains an “other” category in order to identify exchanges or marketplaces not included in the list.]
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### ITEM 3 – STRUCTURE OF THE INVESTMENT FUND

Indicate the legal structure of the investment fund by checking the applicable box.

Trust	<input type="checkbox"/>
Corporation or part of a corporation (e.g. class) referable to a separate portfolio of assets (corporate fund)	<input type="checkbox"/>
Limited partnership	<input type="checkbox"/>
Other (describe)	<input type="checkbox"/>

Indicate whether the investment fund is a:<sup>1</sup>

Mutual fund	<input type="checkbox"/>
Non-redeemable investment fund	<input type="checkbox"/>

(Note 1 - for the definition of non-redeemable investment fund and related guidance on these terms please refer to section 1.1 of National Instrument 81-106 *Investment Fund Continuous Disclosure* (NI 81-106) and section 1.2 of the Companion Policy 81-106CP to NI 81-106).

### ITEM 4 – DIRECTORS AND EXECUTIVE OFFICERS OF THE INVESTMENT FUND

If the investment fund is a corporate fund or a limited partnership, complete the following table by listing the directors and executive officers of the applicable entity as of the date of this report and provide their jurisdiction of residence (i.e. for a corporate fund, list the directors and executive officers of the corporation, and for a limited partnership, list the directors and executive officers of the general partner).

Full legal name of director or executive officer	Title(s) or position(s) at investment fund	Jurisdiction of residence
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	-	
	-	

[Note to reader: In Ontario, additional rows can be added in the e-form if needed.]

### ITEM 5 – TYPE OF INVESTMENT FUND

Indicate the type of investment fund by checking the appropriate box.

Money market fund	<input type="checkbox"/>
Hedge fund	<input type="checkbox"/>
Other investment fund	<input type="checkbox"/>

Is the investment fund subject to any of the following (check if yes):

National Instrument 81-102 <i>Mutual Funds</i> (NI 81-102)	<input type="checkbox"/>
NI 81-102 and National Instrument 81-104 <i>Commodity Pools</i>	<input type="checkbox"/>

### ITEM 6 – SIZE OF THE INVESTMENT FUND

Indicate the size of the investment fund (net asset value) in Canadian dollars as of the date of this report.	(CAN) \$ _____
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### ORGANIZATION AND MANAGEMENT DETAILS OF THE INVESTMENT FUND

### ITEM 7 – INVESTMENT FUND MANAGER INFORMATION

Complete the following table.

Full legal name of the investment fund manager	
NRD number	
Address of the head office of the investment fund manager	
City	
Province, territory, state or other equivalent	
Country	

Postal/zip code	
Business telephone number of the head office of the investment fund manager	
Business email address of the investment fund manager's chief executive officer or individual acting in that capacity	

**ITEM 8 – DIRECTORS AND EXECUTIVE OFFICERS OF THE INVESTMENT FUND MANAGER**

Complete the following table by listing the directors and executive officers of the investment fund manager, including the chief compliance officer and ultimate designated person, as of the date of this report and provide their jurisdiction of residence.

Full legal name of director or executive officer	Title(s) or position(s) at investment fund manager	Jurisdiction of residence

[Note to reader: In Ontario, additional rows can be added in the e-form if needed.]

**ITEM 9 – PRINCIPAL SERVICE PROVIDERS**

Complete the following table by providing the name and municipality of the principal office or head office of each of the other principal service providers to the investment fund, as applicable.

Service Provider	Name	Municipality of principal/head office
Trustee		
Portfolio manager		
Sub-portfolio manager		
Custodian		
Registrar/transfer agent		
Auditor		

**DETAILS OF DISTRIBUTION**

**ITEM 10 – FIRST REPORT**



Indicate whether this is the first report of exempt distribution that has been filed for the investment fund.

- Yes  
 No

**ITEM 11 – DOCUMENTS PROVIDED IN CONNECTION WITH THE DISTRIBUTION**

Indicate whether the following document has been provided to investors in connection with the distribution(s):

<b>Offering memorandum:</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Date of offering memorandum:</b> <i>(month/day/year)</i>	

[Note to reader: In Ontario, if yes, you will be able to attach an electronic copy of the offering memorandum directly to the e-form.]

**ITEM 12 – PURCHASER INFORMATION**

Complete Schedule 1 to this report. Schedule 1 is designed to assist in completing the remainder of this report. See “**Instructions for Schedule 1 to Form 45-106F10**” below.

[Note to reader: In Ontario, Schedule 1 is in the form of an Excel spreadsheet.]

**ITEM 13 – DATE OF DISTRIBUTION(S)**

State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state the dates of the first and last distribution.

Date(s)	[Note to reader: In Ontario, the e-form contains a calendar from which to select the date(s) of the distribution. There is an option to select a single distribution date or the first and last distribution dates.]
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**ITEM 14 – GENERAL INFORMATION ABOUT SECURITIES DISTRIBUTED**

For each type of security distributed, provide the following information:

Describe the type of security	[Note to reader: In Ontario, the e-form contains a drop-down menu from which the specific type of security can be selected.]
Total number of securities distributed	
Price of each security (Canadian \$)	[Note to reader: In Ontario, the e-form will have an option to indicate a single price or the highest and lowest price]

If the securities are distributed at different prices, list the highest and lowest prices of the securities	
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[Note to reader: In Ontario, the e-form provides an option for this information to be provided for more than one type of security.]

If a convertible or exchangeable security was distributed, provide the following additional information for each type of convertible or exchangeable security distributed.

Expiry date (if applicable)	[Note to reader: In Ontario, the e-form contains a calendar from which to select the expiry date.]
Exercise price	
Other key terms of the convertible or exchangeable security	
Type of security of the underlying security	[Note to reader: In Ontario, the e-form contains a drop-down menu from which the specific type of security can be selected from a list.]

[Note to reader: In Ontario, the e-form provides an option for this information to be provided for more than one type of convertible or exchangeable security.]

### ITEM 15 – AGGREGATE PURCHASER INFORMATION

Complete the following table. Do not include in this table securities issued as payment for commissions or finder's fees disclosed under item 16, below. The information provided in this table must reconcile with the information provided in Schedule 1.

Each Canadian and foreign jurisdiction where purchasers reside (indicate province/territory and/or country)	Exemption relied on <sup>1</sup>	Number of purchasers	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
<b>Total number of purchasers</b>			
<b>Total dollar value of distribution(s) in all jurisdictions (Canadian \$)</b>			
<b>Total dollar value of redemptions since last report filed (Canadian \$)<sup>2</sup></b>			

[Note to reader: In Ontario, additional rows can be added in the e-form if needed.]

**Note 1:** If different exemptions were relied on in the same jurisdiction, indicate the number of purchasers in that jurisdiction per exemption.

**Note 2:** If this is the first report of exempt distribution filed for the investment fund enter all redemptions since the investment fund was created.

## ITEM 16 - COMPENSATION

Please indicate whether any of the following parties received compensation in connection with the distribution(s) (check all that apply).

- Registrant  
 Finder, other individual or entity (other than a registrant)

If any cash or compensation was paid to a: (i) registrant, or (ii) finder, other individual or entity in connection with the distribution(s), complete Schedule 2 *Commissions and Finders Fees*. Ensure that all compensation paid in connection with the distribution(s) is appropriately reflected in Schedule 2 – see “**Instructions for Schedule 2 to Form 45-106F10**” below. [Note to reader: In Ontario, Schedule 2 is in the form of an Excel spreadsheet.]

## ITEM 17 – INDIRECT COLLECTION OF PERSONAL INFORMATION FOR DISTRIBUTIONS (ONTARIO)

If a distribution is made in Ontario to one or more individuals, complete the following.

### 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 regulator 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

Were any securities distributed to individuals?

- Yes  
 No

[Note to reader: The following confirmation will only be required to be completed if there was a distribution of securities to an individual.]

The attached Schedule 1 may contain personal information of purchasers and details of the distribution(s). [The information in Schedule 1 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.](#)

The investment fund/investment fund manager/underwriter hereby confirms that each purchaser listed in Schedule 1 of this report who is resident in Ontario:

- (a) has been notified by the investment fund/investment fund manager/underwriter of the delivery to the Ontario Securities Commission of the information pertaining to the purchaser as set out in Schedule 1,
- (i) that this information is being collected by the Ontario Securities Commission under the authority granted to it in securities legislation,
  - (ii) that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and
  - (iii) of the title, business address and business telephone number of the public official in Ontario, 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.

The investment fund/investment fund manager/underwriter confirms the above.  
[Note to reader: In Ontario, this box must be checked for the e-form to be submitted.]

### ITEM 18 - CERTIFICATE

I am submitting this form as agent for the [investment fund/investment fund manager/underwriter] and have been authorized to do so. By checking this box, I certify that the [investment fund/investment fund manager/underwriter] provided me with all of the information on this form.

By completing the information in the table below, I certify to the securities regulatory authority 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 [investment fund/investment fund manager/underwriter]:** \_\_\_\_\_

Provide the full legal name, title, telephone number and email of person certifying this report:

Full legal name	
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Title	
Business telephone number	
Business address	
Business email address of individual	

Provide the signature of the individual certifying this report.

Signature	<i>[Note to reader: In Ontario, the e-form will require insertion of an electronic signature here]</i>
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**Date:** \_\_\_\_\_

[Note to reader: In Ontario, the e-form contains a calendar from which to select the date of the report.]

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT**

**ITEM 19 – CONTACT PERSON REGARDING CONTENT OF REPORT**

Provide the following information for the individual who may be contacted with respect to any questions regarding the contents of this report, if different than the individual certifying the report above.

Same as individual certifying the report

Name	
Title	
Organization	
Business telephone number	
Business address	
Business email address of individual	

## SCHEDULE 1 TO FORM 45-106F10

[Note to reader: The following describes the information that would be required to be provided in Schedule 1 to Form 45-106F10. In Ontario, Schedule 1 will be filed in the form of an Excel spreadsheet. When creating the final version of the schedule, Ontario will incorporate the use of drop-down menus wherever appropriate in order to make this e-form more “user-friendly” and easier to complete]

**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.**

### **General information**

- Investment fund/ Investment fund manager/Underwriter name
- Date Form 45-106F10 filed

### **Purchaser information (to be provided for each purchaser)**

- Individual (Y/N)
- First name
- Last name
- Company name
- Address
- Telephone number
- Email address
- Province
- Country
- Age range if an individual (18 to 25 years, 26 to 34 years, 35 to 49 years, 50 to 64 years, 65 to 79 years, 80 years and older)

### **Information about securities purchased (to be provided for each distribution)**

- Number
- Type
- Total purchase price (CAD \$)
- Date of distribution (month/day/year)

### **Information about exemption relied on (to be provided for each distribution)**

[Note to reader: In Ontario, the e-form contains a drop-down menu for each exemption that could be relied on]

- Section
- Subsection
- Paragraph

### **Other information (to be provided if applicable)**

- Offering memorandum (if exemption is available for investment fund)
  - Category of “eligible investor”
- Family, friends and business associates (if exemption is available for investment fund)
  - Person at issuer with whom purchaser has relationship (name and title)
- Registrant information
  - NRD number of registrant (if applicable)

## SCHEDULE 2 TO FORM 45-106F10

[Note to reader: The following describes the information that would be required to be provided in Schedule 2 to Form 45-106F10. In Ontario, Schedule 2 will be filed in the form of an Excel spreadsheet. When creating the final version of the schedule, Ontario will incorporate the use of drop-down menus wherever appropriate in order to make this e-form more “user-friendly” and easier to complete.]

### **Information about registrants or finders**

- Is person or entity being compensated a (i) registrant, or (ii) finder, other individual or entity (other than a registrant)
- Is person or entity being compensated the investment fund, the investment fund manager, an affiliate or associate of the investment fund manager, or a director, officer or employee of any of them
- If registrant, NRD number, registration category, affiliated registered firm (if registered individual), and NRD number of affiliated registered firm (if registered individual)

### **General information – firms**

- Firm name
- Street
- City, province, country
- Postal code
- Email address

### **General information – individuals**

- First name
- Last name
- Street
- City, province, country
- Postal code
- Email address

### **Form of Compensation**

- Cash
  - Amount (CAD \$)
- Securities
  - Number

- Type
- Price per security
- Exemption relied on
- Date of distribution (month/day/year)
- Total dollar value (include the value of any securities and cash, added together, in CAD \$)

**Information about other fees paid to registrants**

- If registrant, finder's fees paid to registrant
- If registrant, broker fees paid to registrant

**Other information**

- Description of terms (where applicable)

**INSTRUCTIONS**

**Instructions for Form 45-106F10:**

1. **Filing instructions in Ontario** – File this report in Ontario through the online e-form available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).
2. **Filing instructions in Alberta, New Brunswick and Saskatchewan** – File this report and the applicable fee at the following addresses:

Alberta Securities Commission  
Suite 600, 250 – 5<sup>th</sup> Street SW  
Calgary, Alberta T2P 0R4  
Telephone: (403) 297-6454  
Toll free in Canada: 1-877-355-0585  
Facsimile: (403) 297-2082

Financial and Consumer Services Commission (New Brunswick)  
85 Charlotte Street, Suite 300  
Saint John, New Brunswick E2L 2J2  
Telephone: (506) 658-3060  
Toll free: 1-866-933-2222  
Facsimile: (506) 658-3059

Financial and Consumer Affairs Authority of Saskatchewan  
Suite 601 – 1919 Saskatchewan Drive  
Regina, Saskatchewan S4P 4H2  
Telephone: (306) 787-5879  
Facsimile: (306) 787-5899



[Note to reader: The Alberta Securities Commission is considering various options to provide issuers with a means of electronically submitting Form 45-106F10 and the related Schedules 1 and 2.]

3. **Payment of filing fee in Ontario** – Refer to Appendix C – Activity Fees of OSC Rule 13-502 *Fees* for the applicable filing fee. The filing fee must be paid at the time that the e-form is submitted.
4. **Payment of filing fee (other than in Ontario)** – In order to determine the applicable fee, consult the securities legislation of each jurisdiction in which a distribution is made.
5. **Filing instructions if distributions made in more than one jurisdiction** – Refer to the securities legislation in each jurisdiction where the distribution is made to determine which form(s) of report of exempt distribution is/are required or permitted to be filed. The report should identify all purchasers in each of the jurisdictions in which the distribution is made. Filing fees associated with the filing of the reports are not affected by identifying all purchasers in a single report.
6. **Date of information in report** – Unless otherwise indicated in the report, provide the information as of the date of the report.
7. **Jurisdiction of distribution** – A “distribution” includes distributions made to purchasers resident in the local jurisdiction. A “distribution” may also occur if the issuer of the securities is located in or has a significant connection to the jurisdiction. Consult securities legislation in the particular jurisdiction for guidance on when an issuer is considered to be located in or have a significant connection to that jurisdiction.
8. **References to purchaser** – References to a purchaser in this report are to the beneficial owner of the securities. If a trust company or a registered adviser has purchased on behalf of a fully managed account under subsections 2.3(2) and (4) of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106), give information about both the trust company or registered adviser and the beneficial owner of the fully managed account.
9. **Currency** – All dollar amounts are in Canadian dollars.
10. **Aggregate information in item 15** –
  - (1) Do not include in this table securities issued as payment for commissions or finder’s fees disclosed in Schedule 2.
  - (2) The information in this table should be included for each Canadian and foreign jurisdiction where purchasers of the securities reside.
  - (3) If different exemptions were relied on in the same jurisdiction, indicate the number of purchasers in that jurisdiction per exemption.
11. **Reconciliation of information** – The information provided in response to items 13, 14 and 15 must reconcile with the information provided in Schedule 1 of Form 45-106F10.

## Instructions for Schedule 1 to Form 45-106F10:

12. **Public disclosure of information** – The information in Schedule 1 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.
13. **Exclusion of securities as payment for commissions or finder's fees** - Do not include in Schedule 1 any securities issued as payment for commissions or finder's fees as disclosed in Schedule 2 of this report.
14. **Age range of purchaser** – If the purchaser is an individual identify which of the following age ranges applies to the purchaser: 18-25, 26-34, 35-49, 50-64, 65-79, 80+.
15. **Reference to exemption relied on** - When identifying the exemption relied on, refer to the specific subsection of NI 45-106. For example, if relying on the exemption in section 2.10 [*Minimum Amount Investment*], the column should state "2.10(1)". For exemptions that require the purchaser to meet certain characteristics, such as the exemption in section 2.3 [*Accredited investor*], also state the specific paragraph that applies to the purchaser. If the purchaser qualifies under multiple paragraphs, state all paragraphs that apply. For example, when relying on section 2.3 [*Accredited investor*], if the purchaser qualifies under paragraph (j) of the definition of accredited investor in section 1.1, the section column should show "2.3(1) – (j). If the purchaser qualifies under both paragraphs (j) and (k), the column should show “2.3(1) – (j), (k)”.

It is not necessary to list the exemption, if any, relied on in the securities legislation of a securities regulatory authority that provides a similar exemption to that provided in NI 45-106. For example, if an issuer relies on the exemption in section 73.3(2) under the *Securities Act* (Ontario) for a distribution in Ontario, it can identify the exemption relied on in the table as the accredited investor exemption in section 2.3(1) of NI 45-106.

## Instructions for Schedule 2 to Form 45-106F10:

16. **Reference to compensation** - Complete Schedule 2 by providing information for each person who has received or who 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.
17. **Information regarding convertible or exchange securities issued as compensation** - If the securities being issued as compensation are or include convertible or exchangeable securities, such as warrants or options, please add sufficient details under the column “Description of Terms” in Schedule 2 to describe the terms of the convertible or exchangeable securities, including the term and exercise price. Do not include the

exercise price of any convertible or exchangeable security in the total dollar value of the compensation unless the securities have been converted or exchanged.

## **Questions**

Refer any questions to:

### **Securities Regulatory Authorities and Regulators**

#### *Alberta Securities Commission*

Suite 600, 250 – 5<sup>th</sup> Street SW  
Calgary, Alberta T2P 0R4  
Telephone: (403) 297-6454  
Toll free in Canada: 1-877-355-0585  
Facsimile: (403) 297-2082

#### Financial and Consumer Services Commission (New Brunswick)

85 Charlotte Street, Suite 300  
Saint John, New Brunswick E2L 2J2  
Telephone: (506) 658-3060  
Toll free in Canada: 1-866-933-2222  
Facsimile: (506) 658-3059

#### *Ontario Securities Commission*

20 Queen Street West, [22<sup>nd</sup> Floor](#)  
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: [Inquiries Officer](#)

#### Financial and Consumer Affairs Authority (Saskatchewan)

Suite 601 – 1919 Saskatchewan Drive  
Regina, Saskatchewan S4P 4H2  
Telephone: (306) 787-5879  
Facsimile: (306) 787-5899

9. *In Alberta, New Brunswick and Saskatchewan, this Instrument is amended by adding the following form:*

**PROPOSED FORM 45-106F11**  
**REPORT OF EXEMPT DISTRIBUTION FOR ISSUERS OTHER THAN INVESTMENT FUNDS (ALBERTA, NEW BRUNSWICK, ONTARIO AND SASKATCHEWAN)**

[Notes to reader: This is an illustration of the proposed Form 45-106F11 *Report of Exempt Distribution for Issuers other than Investment Funds*. In Alberta, New Brunswick and Saskatchewan, this form will be a paper form. In Ontario, this form will be an e-form.

When creating the final version of the e-form, we will incorporate the use of drop-down menus wherever appropriate in order to make the e-form more “user-friendly” and easier to complete. Pursuant to OSC Rule 11-501 Electronic Delivery of Documents to the Ontario Securities Commission, issuers are required to file the report electronically in Ontario. In certain sections below, we have included notes to the reader to help them understand how the e-form will appear online. These notes do not form part of the form.]

*See the instructions contained at the end of this form for assistance in completing the form.*

**ITEM 1 – PARTY COMPLETING THE REPORT**

Who is completing this report?

- Issuer  
 Underwriter

**ITEM 2 – UNDERWRITER INFORMATION (IF APPLICABLE)**

If an underwriter is completing this report, provide the following information:

Underwriter	
Full legal name of underwriter	
Street address	
City	
Province, territory, state or other equivalent	
Country	
Postal/zip code	
Business telephone number	
Business email address of underwriter’s chief executive officer or individual acting in that	

capacity	
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### ITEM 3 – ISSUER INFORMATION

#### 3.1 Name of issuer and parent

Provide the following information:

Full legal name of issuer	
Former "Issuer Full Legal Name" if changed since last report	
Full legal name of parent of issuer (if applicable)	

#### 3.2 Contact information for issuer

Provide the following information regarding the issuer's head office and contact information:

Street address	
City	
Province, territory, state or other equivalent	
Country	
Postal/zip code	
Business telephone number	
Business email address of issuer's chief executive officer or individual acting in that capacity	

#### 3.3 Other information regarding the issuer

##### 3.3.1 Size of issuer and financial year-end

Provide the following information:

Year of formation of issuer ( <i>month/day/year</i> )	
Issuer's date of financial year-end ( <i>month/day</i> )	
Approximate number of employees of the	[Note to reader: In Ontario, the e-form will contain a drop-down menu with the following

issuer at the time of the distribution	ranges: <ul style="list-style-type: none"> <li>• 1-9</li> <li>• 10-49</li> <li>• 50-99</li> <li>• 100 to 499</li> <li>• 500 or more.]</li> </ul>
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**3.3.2 Reporting issuer status of the issuer**

Is the issuer a reporting issuer in any jurisdiction of Canada at the time of the distribution?

- Yes  
 No

If yes, provide the following information:

Jurisdiction(s) of Canada in which the issuer is a reporting issuer	
Issuer's SEDAR profile number	

**3.3.3 Listing(s) of securities of the issuer**

Is any class of securities of the issuer listed or traded on an exchange or through another marketplace (as defined in National Instrument 21-101 *Marketplace Operation*)?

- Yes  
 No

If yes, provide the following information:

Name(s) of all the exchanges or marketplaces on which securities of the issuer are listed or traded	[Note to reader: In Ontario, the e-form contains a drop-down menu from which to select the names of major Canadian and international exchanges or marketplaces. The drop-down menu also contains an "other" category in order to identify exchanges or marketplaces not included in the list.]
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**3.3.4 Primary industry of the issuer**

Indicate the primary industry in which the issuer operates. Further explanation of the industry in which the issuer operates can be provided in the space at the end of this item.

**Financial services**

- Financial services – mortgage investment company
- Financial services – insurance company
- Financial services – banks & trusts
- Financial services – securitization conduits
- Financial services – private equity/venture capital
- Financial services – other (describe): \_\_\_\_\_

**Mining and other resource industries**

- Mining – exploration/development
- Mining – production
- Oil and gas
- Forestry
- Agriculture

**Real estate**

- Real estate/land development
- Real estate investment trust

**Other industries**

- Bio-technology/pharmaceutical/health care
- Utilities/power generation
- Pipelines
- Media/communications/entertainment
- Industrial products
- Transportation & infrastructure
- Technology/clean technology
- Consumer products & merchandising
- Education

**Other**

- Capital pool company
- Government
- Charity/not-for-profit
- Other (describe): \_\_\_\_\_

Further explanation of primary industry in which the issuer operates (optional): \_\_\_\_\_

\_\_\_\_\_

### 3.3.5 Directors, executive officers, control persons and promoters of the issuer

Provide the following information for each director, executive officer, control person and promoter of the issuer at the time of the distribution:

Full legal name of director, executive officer, control person or promoter	Title(s) or position(s) at issuer	Jurisdiction of residence

[Note to reader: In Ontario, additional rows can be added in the e-form if needed.]

## ITEM 4 – INFORMATION ABOUT THE DISTRIBUTION

### 4.1 Date of distribution

State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state the dates of the first and last distributions.

Date(s): \_\_\_\_\_

[Note to reader: In Ontario, the e-form contains a calendar from which to select the date(s) of the distribution. There is an option to select a single distribution date or the first and last distribution dates.]

### 4.2 Type of security(ies) distributed

#### 4.2.1 General information about securities distributed

For each type of security distributed, provide the following information:

Type of security	<input type="checkbox"/> Equity and other securities <input type="checkbox"/> Debt <input type="checkbox"/> Derivatives
	[Note to reader: In Ontario, the e-form contains a drop-down menu under each of these categories from which the specific type of



	security can be selected.]
Total number of securities distributed	
Price of each security (in Canadian \$) If securities are distributed at different prices, list the highest and lowest prices of the securities.	[Note to reader: In Ontario, the e-form will have an option to indicate a single price or the highest and lowest prices.]

[Note to reader: In Ontario, the e-form provides an option for this information to be provided for more than one type of security.]

#### **4.2.2 Additional information about convertible or exchangeable securities distributed**

If a convertible or exchangeable security was distributed, provide the following additional information for each type of convertible or exchangeable security distributed:

Expiry date (month/day/year)	[Note to reader: In Ontario, the e-form contains a calendar from which to select the expiry date.]
Exercise price	
Other key terms of the convertible or exchangeable security	
Type of security of the underlying security	<input type="checkbox"/> Equity and other securities <input type="checkbox"/> Debt <input type="checkbox"/> Derivatives  [Note to reader: In Ontario, the e-form contains a drop-down menu under each of these categories from which the specific type of security can be selected.]

[Note to reader: In Ontario, the e-form provides an option for this information to be provided for more than one type of convertible or exchangeable security.]

### 4.3 Documents provided in connection with the distribution

Indicate whether any of the following documents (offering materials) have been provided to investors in connection with the distribution:

<b>Offering memorandum:</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Date of offering memorandum:</b> (month/day/year)	

<b>Presentations or other marketing materials:</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No
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[Note to reader: In Ontario, the information in the table below and related offering materials will be required to be provided as part of the electronic filing of this report.]

If you responded “yes” to either of the above, attach an electronic copy of any offering materials that have not been previously filed with the Ontario Securities Commission. If the offering materials have been previously filed with the Ontario Securities Commission, state the date(s) on each of the offering materials and the date(s) on which they were previously filed.

Details of previously filed offering materials:

Type of Document	Amendment (y/n)	Date of offering materials (see <b>Note 1</b> )	Date filed with securities regulatory authority

[Note to reader: In Ontario, the e-form contains a calendar from which to select the date of filing and the option to add rows if needed.]

**Note 1:** Indicate either the date of the offering materials or the date of the offering memorandum to which the offering materials relate.

#### 4.4 Exemptions relied on, purchasers and capital raised

##### 4.4.1 Aggregated purchaser information

Complete the following table. Do not include in this table securities issued as payment for commissions or finder's fees discussed under section 4.5 of this report. The information provided in this table must reconcile with the information provided in Schedule 1.

Each jurisdiction where purchasers under the distribution reside (includes jurisdictions of Canada as well as foreign jurisdictions)	Exemption(s) relied on (see <b>Note 2</b> )	Number of purchasers	Total dollar value raised from purchasers (in Canadian \$)
<b>Total number of purchasers</b>			
<b>Total dollar value of distribution(s) in all jurisdictions (in Canadian \$)</b>			

[Note to reader: In Ontario, additional rows can be added in the e-form if needed.]

**Note 2:** If different exemptions were relied on in the same jurisdiction, indicate the number of purchasers in that jurisdiction for each exemption.

##### 4.4.2 Information regarding each purchase

Complete Schedule 1 to this report - see "**Instructions for Schedule 1 to Form 45-106F11**" below.

[Note to reader: In Ontario, Schedule 1 is in the form of an Excel spreadsheet.]

#### 4.5 Involvement of registrants, insiders and finders

##### 4.5.1 Involvement of registrants, insiders and finders

Please indicate whether any of the following parties received compensation from the issuer in connection with the distribution (check all that apply).

- Registrant
- Insider
- Finder, other individual or entity (other than a registrant or insider)

## 4.5.2 Compensation

If any cash or other compensation was paid to a: (i) registrant, (ii) insider, or (iii) finder, other individual or entity in connection with the distribution, complete Schedule 2 *Commissions and Finders Fees*. Ensure that all compensation paid by the issuer in connection with the distribution is appropriately reflected in Schedule 2 – see “**Instructions for Schedule 2 to Form 45-106F11**” below.

[Note to reader: In Ontario, Schedule 2 is in the form of an excel spreadsheet.]

## ITEM 5 – INDIRECT COLLECTION OF PERSONAL INFORMATION FOR DISTRIBUTIONS (ONTARIO)

If a distribution is made in Ontario to one or more individuals, complete the following.

### 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 regulator 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

Were any securities distributed to individuals?

Yes

No

[Note to reader: The following confirmation will only be required to be completed if there was a distribution of securities to an individual.]

The attached Schedule 1 may contain personal information of purchasers and details of the distribution(s). The information in Schedule 1 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.

The issuer/underwriter hereby confirms that each purchaser listed in Schedule 1 of this report who is resident in Ontario:

- (a) has been notified by the issuer/underwriter of the delivery to the Ontario Securities Commission of the information pertaining to the purchaser as set out in Schedule 1,
- (i) that this information is being collected by the Ontario Securities Commission under the authority granted to it in securities legislation,
  - (ii) that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and
  - (iii) of the title, business address and business telephone number of the public official in Ontario, 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.

The issuer/underwriter confirms the above.

[Note to reader: In Ontario, this box must be checked for the e-form to be submitted.]

## ITEM 6 – CERTIFICATE

### 6.1 Authorization to submit form and certification

I am submitting this form as agent for the [issuer/underwriter] and have been authorized to do so. By checking this box, I certify that the [issuer/underwriter] provided me with all of the information on this form.

By completing the information in the table below, I certify to the securities regulatory authority that:

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

Provide the following information regarding the individual certifying the report:

Full legal name	
Title	
Organization (name of issuer or underwriter, as applicable)	
Business telephone number	
Business address	
Business email address of individual	

Provide the signature of the individual certifying this report:

Signature	[Note to reader: In Ontario, the e-form will require insertion of an electronic signature here.]
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Date: \_\_\_\_\_

[Note to reader: In Ontario, the e-form contains a calendar from which to select the date of the report.]

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT**

**6.2 Contact person regarding content of report**

Provide the following information for the individual who may be contacted with respect to any questions regarding the contents of this report, if different than the individual certifying the report above.

Same as individual certifying the report.

Name	
Title	
Organization (name of issuer or underwriter, as applicable)	
Business telephone number	
Business address	
Business email address of individual	

## **SCHEDULE 1 TO FORM 45-106F11**

[Note to reader: The following describes the information that would be required to be provided in Schedule 1 to Form 45-106F11. In Ontario, Schedule 1 will be filed in the form of an Excel spreadsheet. When creating the final electronic version of the schedule in Ontario, we will incorporate the use of drop-down menus wherever appropriate in order to make this schedule more “user-friendly” and easier to complete.]

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.

### **General information**

- Issuer/ underwriter name
- Date Form 45-106F11 filed

### **Purchaser information (to be provided for each purchaser)**

- Individual (Y/N)
- First name
- Last name (Company name)
- Address
- Telephone number
- Email address
- Province
- Country
- Age range if an individual (18 to 25 years, 26 to 34 years, 35 to 49 years, 50 to 64 years, 65 to 79 years, 80 years and older)

### **Information about securities purchased (to be provided for each distribution)**

- Number
- Type
- Total purchase price (CAD \$)
- Date of distribution (month/day/year)

### **Information about exemption relied on (to be provided for each distribution)**

[Note to reader: In Ontario, the e-form contains a drop-down menu for each exemption that could be relied on.]

- Section
- Subsection
- Paragraph

### **Other information (to be provided if applicable)**

- Offering memorandum

- Category of "eligible investor"
- Family, friends and business associates
  - Person at issuer with whom purchaser has relationship (name and title)
- Registrant information
  - NRD number of registrant (if applicable)

## SCHEDULE 2 TO FORM 45-106F11

[Note to reader: The following describes the information that would be required to be provided in Schedule 2 to Form 45-106F11. In Ontario, Schedule 2 will be filed in the form of an Excel spreadsheet. When creating the final electronic version of the schedule in Ontario, we will incorporate the use of drop-down menus wherever appropriate in order to make this schedule more “user-friendly” and easier to complete.]

### **Information about insiders, registrants or finders**

- Indicate if person being compensated is: (i) a registrant, (ii) an insider of the issuer or (iii) a finder, other individual or entity (other than a registrant or insider)
- Relationship to issuer [Note to reader: In Ontario, the e-form contains a drop-down menu of sub-categories, including “Other – explain”, to further specify the nature of the relationship of the person being compensated to the issuer.]
- If registrant, NRD number, registration category, affiliated registered firm (if registered individual) and NRD number of affiliated registered firm (if registered individual)

### **General information – firms**

- Company name
- Street
- City, province, country
- Postal code
- Email address

### **General information – individuals**

- First name
- Last name
- Street
- City, province, country
- Postal code
- Email address

### **Form of Compensation**

- Cash
  - Amount (CAD \$)
- Securities
  - Number



- Type
- Price per security
- Exemption relied on
- Date of distribution (month/day/year)
- Total dollar value (include the value of any securities and cash, added together, in CAD \$)

#### **Information about other fees paid to registrants**

- If registrant, finder's fees paid to registrant
- If registrant, broker fees paid to registrant

#### **Other information**

- Description of terms (where applicable)

## **INSTRUCTIONS**

### **Instructions for Form 45-106F11**

1. **Filing instructions in Ontario** – File this report in Ontario through the online e-form available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).
2. **Filing instructions (other than Ontario)** – File this report and the applicable fee at the following address(es) as applicable:

Alberta Securities Commission  
Suite 600, 250 - 5th Street SW  
Calgary, Alberta T2P 0R4  
Telephone: (403) 297-6454  
Toll free in Canada: 1-877-355-0585  
Facsimile: (403) 297-2082

Financial and Consumer Services Commission (New Brunswick)  
85 Charlotte Street, Suite 300  
Saint John, New Brunswick E2L 2J2  
Telephone: (506) 658-3060  
Toll free: 1-866-933-2222  
Facsimile: (506) 658-3059

Financial and Consumer Affairs Authority of Saskatchewan  
Suite 601 - 1919 Saskatchewan Drive  
Regina, Saskatchewan S4P 4H2  
Telephone: (306) 787-5879  
Facsimile: (306) 787-5899

[Note to reader: The Alberta Securities Commission is considering various options to provide issuers with a means of electronically submitting Form 45-106F11 and the related Schedules 1 and 2.]

3. **Payment of filing fee in Ontario** – Refer to Appendix C – Activity Fees of OSC Rule 13-502 *Fees* for the applicable filing fee. The filing fee must be paid at the time that the e-form is submitted.
4. **Payment of filing fee (other than in Ontario)** - In order to determine the applicable fee, consult the securities legislation of each jurisdiction in which a distribution is made.
5. **Filing instructions if distributions made in more than one jurisdiction** – Refer to the securities legislation in each jurisdiction where the distribution is made to determine which form(s) of report of exempt distribution is/(are) required or permitted to be filed. The report should identify all purchasers in each of the jurisdictions in which the distribution is made. Filing fees associated with the filing of the reports are not affected by identifying all purchasers in a single report.
6. **Date of information in report** - Unless otherwise indicated in the report, provide the information as of the date of the report.
7. **Jurisdiction of distribution** – A “distribution” includes distributions made to purchasers resident in the local jurisdiction. A “distribution” may also occur if the issuer of the securities is located in or has a significant connection to the jurisdiction. Consult securities legislation in the particular jurisdiction for guidance on when an issuer is considered to be located in or to have a significant connection to that jurisdiction.
8. **Multiple distributions** – One report may be used for multiple distributions occurring within 10 days of each other provided the report is filed on or before the 10th day following the first of such distributions.
9. **References to purchaser** – References to a purchaser in this report are to the beneficial owner of the securities. If a trust company or a registered adviser has purchased on behalf of a fully managed account under subsections 2.3(2) and (4) of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106), give information about both the trust company or registered adviser and the beneficial owner of the fully managed account.
10. **Currency** – All dollar amounts are in Canadian dollars.
11. **Aggregate information in item 4.4.1** –
  - (1) Do not include in this table securities issued as payment for commissions or finder’s fees disclosed in Schedule 2.
  - (2) The information in this table should be included for each Canadian and foreign jurisdiction where purchasers of the securities reside.

(3) If different exemptions were relied on in the same jurisdiction, indicate the number of purchasers in that jurisdiction per exemption.

12. **Reconciliation of information** – The information provided in response to Item 4.4.1 must reconcile with the information provided in Schedule 1 of Form 45-106F11.

### **Instructions for Schedule 1 to Form 45-106F11**

13. **Public disclosure of information** - The information in Schedule 1 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.

14. **Exclusion of securities as payment for commissions or finder's fees** – Do not include in Schedule 1 any securities issued as payment for commissions or finder's fees as disclosed in Schedule 2 of this report.

15. **Age range of purchaser** - If the purchaser is an individual, identify which of the following age ranges applies to the purchaser: 18-25, 26-34, 35-49, 50-64, 65-79, or 80+.

16. **Reference to exemption relied on** – When identifying the exemption relied on, refer to the specific subsection of NI 45-106. For example, if relying on the exemption in section 2.10 [*Minimum Amount Investment*], the column should state "2.10(1)". For exemptions that require the purchaser to meet certain characteristics, such as the exemption in section 2.3 [*Accredited investor*] or section 2.5 [*Family, friends and business associates*], also state the specific paragraph that applies to the purchaser. If the purchaser qualifies under multiple paragraphs, state all paragraphs that apply. For example, when relying on section 2.3 [*Accredited investor*], if the purchaser qualifies under paragraph (j) of the definition of accredited investor in section 1.1, the section column should show "2.3(1) – (j)". If the purchaser qualifies under both paragraphs (j) and (k), the column should show "2.3(1) – (j), (k)".

It is not necessary to list the exemption, if any, relied on in the securities legislation of a securities regulatory authority that provides a similar exemption to that provided in NI 45-106. For example, if an issuer relies on the exemption in section 73.3(2) under the *Securities Act* (Ontario) for a distribution in Ontario, it can identify the exemption relied on in the table as the accredited investor exemption in section 2.3(1) of NI 45-106.

17. **Information required where reliance on the offering memorandum exemption** – If the purchaser qualifies under the exemption in section 2.9 of NI 45-106 [*Offering memorandum*], specify the category of "eligible investor" of the purchaser based on parts (a) to (h) of the definition of "eligible investor".

18. **Information required where reliance on the family, friends and business associates exemption** – If the purchaser qualifies under the exemption in section 2.5 of NI 45-106

[Family, friends and business associates], specify the name and title of the individual at the issuer with whom the purchaser has the applicable relationship.

19. **Reports filed under subsection 6.1(1)(j) [TSX Venture Exchange offering] of NI 45-106 in Alberta** – For reports filed under subsection 6.1(1)(j) [TSX Venture Exchange offering] of NI 45-106 in Alberta, New Brunswick or Saskatchewan the table in Schedule 1 only needs to list the total number of purchasers by jurisdiction instead of including the name, residential address and email address of each purchaser.

### **Instructions for Schedule 2 to Form 45-106F11**

20. **Reference to compensation** – Complete Schedule 2 by providing information for each person who has received or who 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.
21. **Information regarding convertible or exchange securities issued as compensation** – If the securities being issued as compensation are or include convertible or exchangeable securities, such as warrants or options, please add sufficient details under the column “Description of Terms” in Schedule 2 to describe the terms of the convertible or exchangeable securities, including the term and exercise price. Do not include the exercise price of any convertible or exchangeable security in the total dollar value of the compensation unless the securities have been converted or exchanged.

### **Questions**

Refer any questions to:

#### **Securities Regulatory Authorities and Regulators**

Alberta Securities Commission  
Suite 600, 250 – 5th Street SW  
Calgary, Alberta T2P 0R4  
Telephone: (403) 297-6454  
Toll free in Canada: 1-877-355-0585  
Facsimile: (403) 297-2082

Financial and Consumer Services Commission (New Brunswick)  
85 Charlotte Street, Suite 300  
Saint John, New Brunswick E2L 2J2  
Telephone: (506) 658-3060  
Toll free in Canada: 1-866-933-2222  
Facsimile: (506) 658-3059

Ontario Securities Commission  
20 Queen Street West, [22<sup>nd</sup> Floor](#)

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: [Inquiries Officer](#)

Financial and Consumer Affairs Authority (Saskatchewan)

Suite 601 - 1919 Saskatchewan Drive

Regina, Saskatchewan S4P 4H2

Telephone: (306) 787-5879

Facsimile: (306) 787-5899

10. This Instrument comes into force on ●.