

CSA Notice and Request for Comment
Proposed Amendments to
National Instrument 45-106 *Prospectus and Registration Exemptions*,
National Instrument 41-101 *General Prospectus Requirements*,
National Instrument 44-101 *Short Form Prospectus Distributions*,
and National Instrument 45-102 *Resale Restrictions* and Proposed
Repeal of National Instrument 45-101 *Rights Offerings*

November 27, 2014

Introduction

The Canadian Securities Administrators (the **CSA** or **we**) are publishing for a 90-day comment period

- proposed amendments to:
 - National Instrument 45-106 *Prospectus and Registration Exemptions* (**NI 45-106**),
 - National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**),
 - National Instrument 44-101 *Short Form Prospectus Distributions* (**NI 44-101**),
 - National Instrument 45-102 *Resale Restrictions* (**NI 45-102**), and
- the proposed repeal of National Instrument 45-101 *Rights Offerings* (**NI 45-101**) (collectively, the **Proposed Amendments**).

We are also publishing for comment proposed changes to:

- Companion Policy 45-106CP to NI 45-106 (**45-106CP**), and
- Companion Policy 41-101CP to NI 41-101 (**41-101CP**).

If adopted, the Proposed Amendments would create a streamlined prospectus exemption for rights offerings conducted by reporting issuers other than investment funds that are subject to National Instrument 81-102 *Investment Funds* (**NI 81-102**). The Proposed Amendments would also update or revise some of the requirements for rights offerings by way of prospectus and repeal the prospectus exemption for rights offerings by non-reporting issuers.

The text of the Proposed Amendments is contained in Annex A of this notice and is also available on websites of CSA jurisdictions, including:

www.lautorite.qc.ca

www.albertasecurities.com

www.besc.bc.ca
nssc.novascotia.ca
www.osc.gov.on.ca
www.msc.gov.mb.ca

Substance and Purpose

Rights offerings can be one of the fairer ways for issuers to raise capital as they provide security holders with an opportunity to protect themselves from dilution. However, the CSA recognizes that reporting issuers very seldom use prospectus-exempt rights offerings because of the associated time and cost.

The Proposed Amendments are designed to make prospectus-exempt rights offerings more attractive to reporting issuers by creating a streamlined prospectus exemption (the **Proposed Exemption**). The Proposed Exemption updates requirements and removes the current regulatory review process prior to use of the rights offering circular. We have also proposed increased investor protection through the addition of civil liability for secondary market disclosure and the introduction of a user-friendly form of rights offering circular.

The Proposed Amendments would also update or revise some of the requirements for rights offerings by way of prospectus and repeal both NI 45-101 and the prospectus exemption in NI 45-106 for rights offerings by non-reporting issuers.

Background

Currently, an issuer wanting to conduct a prospectus-exempt rights offering in Canada would use the prospectus exemption in section 2.1 of NI 45-106 (the **Current Exemption**). Some of the key conditions of the Current Exemption are

- the offering must comply with the requirements of NI 45-101;
- the securities regulatory authority must not object to the offering - this results in a review of the rights offering circular by CSA staff;
- reporting issuers are restricted from issuing more than 25% of their securities under the exemption in any 12 month period.

Very few reporting issuers use the Current Exemption. During the past year, CSA staff conducted research, collected data and held informal consultations with market participants to identify issues and to consider changes to the Current Exemption that would facilitate prospectus-exempt rights offerings.

Through this work, the CSA found that the overall time period to conduct a prospectus-exempt rights offering, including the CSA review period, was much longer than the time period when using other prospectus exemptions. Specifically, CSA staff looked at 93 rights offerings by reporting issuers over the last seven years and found that the average length of time to complete an offering was 85 days and the average length of time between filing of the draft circular and notice of acceptance by the regulator was 40 days. CSA staff heard that the length of time to complete an offering results in lack of certainty of financing and increased costs.

Market participants also reported that the dilution limit was too low and greatly restricts the ability of issuers with small market capitalization to raise sufficient funds to make a rights offering worthwhile.

Summary of the Proposed Amendments

1. Proposed new exemption for reporting issuers

Availability

The Proposed Exemption would only be available for reporting issuers, other than investment funds that are subject to NI 81-102. Pursuant to section 9.1.1 of NI 81-102, which was effective September 22, 2014, investment funds that are subject to that Instrument are restricted from issuing warrants or rights.

Notice

We propose a new form of notice that issuers will have to file and send to security holders before using the Proposed Exemption (**Proposed Form 45-106F14** or the **Notice**). Proposed Form 45-106F14 will require basic disclosure about the offering. It will also inform security holders how to access the rights offering circular electronically. We anticipate that a Notice prepared in Proposed Form 45-106F14 will only be one to two pages long. We do not anticipate that the requirement to send the Notice will be burdensome as issuers would already have to send rights offering certificates.

Circular

Issuers will have to prepare and file a new form of rights offering circular (**Proposed Form 45-106F15** or the **Circular**). Issuers will not have to send the Circular to security holders. We propose to require that all disclosure under Proposed Form 45-106F15 be in a question and answer format. This format is intended to be easier for issuers to prepare and more straightforward for investors to understand. The disclosure required by Proposed Form 45-106F15 focuses on information about the rights offering, the use of funds available and the financial condition of the issuer. We do not propose to require information about the business in the Circular. Most investors that exercise rights will already be existing security holders familiar with the issuer's continuous disclosure or will otherwise be able to access it on SEDAR.

The issuer must also certify that the Circular contains no misrepresentations.

Review

Under the Current Exemption, an issuer cannot use a circular until CSA staff have issued a notice of acceptance. Under the Proposed Exemption, CSA staff will not review the Notice or Circular prior to use. However, for a period of two years from the adoption of the Proposed Exemption, CSA staff in certain jurisdictions intend to conduct reviews of Circulars (in most cases, on a post-distribution basis) to understand how issuers are using the Proposed Exemption and to ensure that issuers are complying with the conditions of the Proposed Exemption.

CSA staff also conduct continuous disclosure reviews of issuers on an ongoing basis. As noted in

CSA Staff Notice 51-312 (Revised) *Harmonized Continuous Disclosure Review Program*, staff use various tools to target those issuers that are most likely to have deficiencies in their disclosure.

Dilution limit

The Proposed Exemption will not be available where there would be an increase of more than 100% in the number of outstanding securities of the class to be issued upon exercise of rights, assuming the exercise of all rights issued under the Proposed Exemption by the issuer during the preceding 12 months. This provision represents a substantial increase from the 25% dilution limit under the Current Exemption and applies to all reporting issuers. If a reporting issuer wanted to conduct a rights offering where there would be greater dilution, it could still do so by using a prospectus.

Timing

Under the Proposed Exemption, issuers will be required to file and send the Notice prior to commencement of the exercise period and to file the Circular concurrently with the Notice.

We propose that the exercise period be a minimum of 21 days and a maximum of 90 days. These time periods are substantially consistent with the Current Exemption.

Offer to all security holders

One of the conditions of the Proposed Exemption is that the issuer must make the basic subscription privilege available on a *pro rata* basis to each security holder of the class of securities to be distributed on exercise of the rights. This requirement means that an issuer using the Proposed Exemption must offer the rights to all security holders of that class in the local jurisdiction, even if there is only a small number of security holders in that jurisdiction.

This is distinct from the Current Exemption where there is no clear requirement to offer rights to all security holders. We do not anticipate that this requirement will add time to the offering as there will no longer be a review by CSA staff in each jurisdiction prior to the offering.

Pricing

For reporting issuers that are listed on a marketplace, we propose that the subscription price for a security issuable on exercise of a right must be lower than the market price at the time of filing the Notice. The main purpose of a rights offering is to allow all security holders to participate on a *pro rata* basis. Requiring a discount from market price will allow more retail security holders to participate.

For reporting issuers that are not listed on a marketplace, we propose that the subscription price for a security issuable on exercise of a right must be lower than fair value at the time of filing the Notice. This provision would not apply if insiders of the issuer are restricted from increasing their proportionate interest in the issuer through the offering or through a stand-by commitment. This exception recognizes that it may be difficult or expensive for an unlisted issuer to provide evidence of fair value.

In both situations, should the market price or fair value fall below the subscription price at any

time following the filing of the Notice, insiders will still be able to participate in the offering.

Stand-by commitments

We propose to permit stand-by commitments subject to certain requirements, such as the issuer must confirm and disclose that the stand-by guarantor has the financial ability to carry through on the stand-by commitment.

Closing news release

A condition of the Proposed Exemption is that the issuer must file a closing news release. The closing news release must contain prescribed information about the rights offering, such as the aggregate gross proceeds and amounts of securities distributed under each of the basic subscription privilege, the additional subscription privilege and the stand-by commitment.

Resale restrictions

The Proposed Exemption would be subject to a seasoning period on resale meaning that, in most situations, there would be no hold period. These are the same resale restrictions that apply to securities issued under the Current Exemption.

Statutory liability

We propose that the statutory civil liability for secondary market disclosure provisions would apply to the acquisition of securities in a rights offering. To effect this change, the Proposed Exemption must be prescribed in each jurisdiction's local securities legislation as subject to the secondary market civil liability provisions. This also means prescribing, for those purposes, the exemption in section 2.42 of NI 45-106, if the original securities were issued under the Proposed Exemption. This proposal is intended to ensure that investors relying on a Circular have rights of action in respect of a misrepresentation in an issuer's continuous disclosure, including the Circular.

We are proposing statutory secondary market civil liability as it attaches to misrepresentations in an issuer's continuous disclosure record document. While contractual liability offers a direct remedy for an individual security holder, it may not be available in all circumstances and for all continuous disclosure. Additionally, there is a potential risk that an issuer would not provide the contractual rights to security holders, or that the contractual rights are not consistent from issuer to issuer and from offering to offering.

Technical disclosure

Under paragraph 4.2(1)(e) of National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, with certain exceptions, a reporting issuer must file a technical report if a rights offering circular filed by the issuer contains scientific or technical information that relates to a mineral project on a property material to the issuer. This requirement would still apply to Circulars filed under the Proposed Exemption. However, Proposed Form 45-106F15 contains no required technical or business disclosure. As a result, we do not anticipate that an issuer will trigger the technical report requirement unless it chooses to include technical disclosure in its Circular.

2. Proposed repeal of the prospectus exemption for rights offerings by non-reporting issuers

We propose to repeal the Current Exemption. This would mean there would no longer be a prospectus exemption for rights offerings by non-reporting issuers. The Current Exemption provides for limited disclosure of the issuer and its business in the rights offering circular and existing security holders do not have access to continuous disclosure about the issuer. As a result, we are concerned that there is insufficient disclosure for an investor to make an informed investment decision and to justify a prospectus exemption. We expect this will not have a significant impact as there is very little use of the Current Exemption by non-reporting issuers.

We also propose to repeal NI 45-101 and withdraw Companion Policy 45-101CP to NI 45-101.

3. Proposed amendments for rights offerings conducted by way of prospectus

We propose to move all of the requirements related to rights offerings distributed by way of prospectus to NI 41-101 and all applicable guidance to 41-101CP. As NI 41-101 is the primary instrument for prospectus requirements, it is more logical for requirements that apply to rights offerings distributed by way of prospectus to reside in that instrument.

The only proposed substantive change for rights offerings distributed by way of prospectus is the proposed pricing requirements which will be the same as under the Proposed Exemption. The reason for the change in pricing requirements is discussed above.

4. Proposed exemption for securities distributed as part of a stand-by commitment

In proposed section 2.1.2 of NI 45-106, we introduce a prospectus exemption for securities issued to a stand-by guarantor as part of a distribution under the Proposed Exemption (the **Stand-by Exemption**). Currently, there is no specific exemption for the distribution of securities under a stand-by commitment if the stand-by guarantor is not a current security holder. If the stand-by guarantor is a security holder as at the date of the Notice (other than a registered dealer), the issuer would be able to distribute securities to them under the Proposed Exemption with only a seasoning period on resale. We believe that a restricted period on resale is not appropriate where a stand-by guarantor is already a security holder of the issuer. A restricted period on resale could potentially place the stand-by guarantor at a disadvantage compared to other security holders who may take up the entire additional subscription privilege without any resale restrictions.

Under the Stand-by Exemption, the stand-by guarantor would have to acquire the securities as principal. Securities issued under the Stand-by Exemption would be subject to a restricted period on resale. We believe a restricted period on resale is appropriate as allowing a stand-by guarantor that is not a security holder of the issuer or is a registered dealer to receive free trading securities could result in the stand-by guarantor distributing a block of shares into the market, without liability for the issuer's disclosure (as in the case under a prospectus, where an underwriter and a promoter accept liability for the issuer's disclosure and each sign a certificate).

We are considering whether securities issued to a stand-by guarantor who *is* a current security holder should also be subject to a restricted period on resale. If we were to impose a restricted period on resale, the stand-by guarantor could still acquire free-trading securities under the basic subscription privilege. The four-month hold would only apply to securities issued to the stand-by guarantor as part of the stand-by commitment. A four-month hold period might be appropriate because the existing security holder would already have free trading securities of the issuer and would receive a benefit by being able to potentially invest more at a lower price than the stand-by guarantor would otherwise be able to invest under other prospectus exemptions. In addition, we note that the stand-by guarantor is usually a strategic investor for whom a hold period should not be an impediment.

5. Proposed exemption for issuers with a minimal connection to Canada

In proposed section 2.1.3 of NI 45-106, we propose a prospectus exemption for issuers with minimal connection to Canada (the **Minimal Connection Exemption**). The prospectus requirement would not apply to rights offerings in specified situations where the number of securities and beneficial holders in Canada, and in the local jurisdiction, is minimal. The issuer must provide a notice to the regulator and send to security holders in Canada all of the materials sent to other security holders. The Minimal Connection Exemption is substantially the same as the current exemption in section 10.1 of NI 45-101.

Anticipated Costs and Benefits of the Proposed Amendments

Reporting issuers

We anticipate that the Proposed Exemption will benefit reporting issuers by reducing the time and associated costs of conducting a rights offering. Removing regulatory review of the Circular will significantly reduce the amount of time to conduct the offering. Reducing the time period may also increase the certainty of financing. The *pro rata* requirement and increased dilution limit provide issuers with a more equitable means of raising sufficient funds.

Issuers will incur some upfront administrative costs to comply with the new disclosure requirements, especially for the Proposed Form 45-106F15. However, we do not anticipate these costs will outweigh the benefits mentioned above and expect issuers will be more likely to choose rights offerings as a means of financing than previously.

Existing security holders

We anticipate that the use of rights offerings will benefit existing security holders to the extent that they will have an opportunity to retain their *pro rata* holdings of an issuer. However, this benefit must be contrasted against the monetary outlay in additional proceeds necessary to maintain their holdings regardless of the outcome of their investment.

Removal of the regulatory review may deprive existing security holders of the protections associated with such a review before the offering. We believe the reduced investor protection

afforded by a review to be the main cost to existing security holders. However, we believe the addition of civil liability for secondary market disclosure and the enhanced disclosure required by Proposed Form 45-106F15 will mitigate these concerns. Proposed Form 45-106F15 requires disclosure in the Circular to be in a user-friendly, question and answer format that we anticipate will better inform investors about the offering and the associated risk.

In addition, for a period of two years from the adoption of the Proposed Exemption, CSA staff in certain jurisdictions intend to conduct post-distribution reviews of Circulars to understand how issuers are using the Proposed Exemption and to ensure that issuers are complying with the conditions of the Proposed Exemption. CSA staff also conduct continuous disclosure reviews of issuers on an ongoing basis. Staff use various tools to target those issuers that are most likely to have deficiencies in their disclosure.

Local Matters

Annex B to this notice is being published in any local jurisdiction that is making related changes to local securities laws, including local notices or other policy instruments in that jurisdiction. It also includes any additional information that is relevant to that jurisdiction only.

Annex B to this notice outlines the proposed amendments to local securities legislation. Each jurisdiction that is proposing local amendments will publish an Annex B outlining the proposed local amendments for that jurisdiction.

Request for Comments

We welcome your comments on the Proposed Amendments, and the proposed changes to the related companion policies. In addition to any general comments you may have, we also invite comments on the following specific questions:

Questions relating to the Proposed Exemption

1. We propose that the exercise period for a rights offering under the Proposed Exemption must be a minimum of 21 days and a maximum of 90 days. These time periods are substantially consistent with those under the Current Exemption. Some market participants have told us that an exercise period of 21 days is too long. Others thought a longer exercise period is beneficial. Reasons cited for a longer exercise period are that at least 21 days may be necessary to reach beneficial security holders and foreign security holders and that institutional investors often need a longer period to receive approvals.
 - (a) Do you agree that the exercise period should be a minimum of 21 days and a maximum of 90 days?
 - (b) If not, what are the most appropriate minimum and maximum exercise periods? Why?

2. We propose that the Notice must be filed and sent before the exercise period begins and that the Circular must be filed concurrently with the Notice. Do you foresee any challenges with this timing requirement?
3. Some market participants have suggested we consider requiring the issuer to only file and not send the Notice and the Circular. While we do not think that the issuer should have to send the Circular itself, it is our view that the issuer should send the Notice to ensure that each security holder is aware of the offering. We also understand that the issuer would have to send rights certificates to security holders in any event.
 - (a) Do you foresee any challenges with requiring the issuer to send a paper copy of the Notice?
 - (b) Do you foresee any challenges with the Circular only being available electronically?
4. The required disclosure in the proposed Circular focuses on information about the offering, the use of funds available and the financial condition of the issuer. We do not propose to require information about the business in the Circular.
 - (a) Have we included the right information for issuers to address in their disclosure?
 - (b) Is there any other information that would be important to investors making an investment decision in the rights offering?
5. Under the Proposed Exemption, we would require the issuer to include certain information in their closing news release including the amount of securities distributed under each of the basic subscription privilege and the additional subscription privilege to insiders as a group and to all other persons as a group. Other required disclosure includes the aggregate gross proceeds of the distribution, the amount of securities distributed under any stand-by commitment, the amount of securities issued and outstanding as at the closing date and the amount of any fee or commission paid in connection with the distribution. This information will give investors a more complete understanding of who acquired securities under the rights offering.

Do you think that this disclosure will be unduly burdensome? If so, what disclosure would be more appropriate?

6. The Current Exemption permits the trading of rights and we propose to allow for the trading of rights under the Proposed Exemption. We have received mixed feedback from market participants on the costs and benefits of allowing rights to trade freely.

On the one hand, the trading of rights adds complexity to a rights offering and could potentially add a few days to the timeline for an average rights offering. The trading of rights also allows the issuance of free-trading securities to new investors. On the other hand, the trading of rights may benefit issuers as it often puts the rights into the hands of holders who are more likely to exercise the rights. It allows for monetization, which

means that security holders who are unable to exercise rights could receive compensation for the rights. It also benefits foreign security holders as the issuer's transfer agent will typically attempt to sell the rights of ineligible security holders on the market.

(a) Should we continue to allow rights to be traded? If so, why?

(b) What are the benefits of not allowing rights to be traded?

(c) Should issuers have the option of not listing rights for trading?

7. When we looked at historic use of rights offerings by reporting issuers, we found that the time between the filing of the draft circular and the notice of acceptance was quite lengthy (an average of 40 days). As a result, we considered options to reduce the review period. One of the options was to conduct a more focused initial review in three days rather than 10 days prior to the regulators' acceptance of the offering. The review would focus on sufficiency of proceeds, stand-by commitments, use of proceeds, insiders, and other issues that raise significant investor protection or public interest concerns. We decided not to proceed with this option but instead to remove regulatory review prior to use. This is similar to other prospectus exemptions and it would significantly improve issuers' time to market. Certain jurisdictions are also proposing reviewing rights offerings on a post-distribution basis for a period of two years to assess the use of and compliance with the Proposed Exemption.

(a) Do you agree with our proposal to remove pre-offering review?

(b) Do the benefits of providing issuers with faster access to capital outweigh the costs of eliminating our review?

(c) Post-distribution review would focus on sufficiency of proceeds, stand-by commitments, use of proceeds, insiders and other issues that raise significant investor protection concerns. Are there other areas that we should focus on?

8. Currently, an investor in a rights offering has no statutory recourse if there is a misrepresentation in an issuer's rights offering circular or continuous disclosure record. We propose that civil liability for secondary market disclosure provisions would apply to the acquisition of securities in a rights offering under the Proposed Exemption.

(a) Is this the appropriate standard of liability to protect investors given that there will be no review by CSA staff of an issuer's rights offering circular?

(b) Would requiring a contractual right of action for a misrepresentation in the circular be preferable? If so, what impact would this standard of liability have on the length and complexity of an issuer's offering circular, given that in order for the contractual liability to cover additional continuous disclosure record documents, the issuer may have to incorporate by reference those documents into the issuer's circular.

9. Given the potential size of rights offerings, there may be circumstances where it is desirable to mitigate the effect of the offering on control of an issuer. In this regard, CSA staff question whether security holders would benefit from separating the timing of the basic subscription and additional subscription privilege such that an issuer would announce the results of the basic subscription before commencing the additional subscription privilege period. An issuer's announcement of the results of the basic subscription may help security holders make more informed decisions about their participation under the additional subscription privilege.

- (a) Would security holders benefit from knowing the results of the basic subscription before making an investment decision through the additional subscription privilege?
- (b) Would security holders make a different investment decision through the additional subscription if the results of the basic subscription were announced? If so,
 - Should the additional subscription privilege be inside or outside of 21 days?
 - Should the split timing for basic subscriptions and additional subscriptions always be required or only required in circumstances where there may be an impact on control?
- (c) What are the costs and benefits of having a two-tranche system for security holders?

Questions relating to the repeal of the Current Exemption for use by non-reporting issuers

10. We propose repealing the Current Exemption for use by non-reporting issuers. There is very little use of the Current Exemption by non-reporting issuers. We also have concerns that existing security holders of non-reporting issuers do not have access to continuous disclosure about the issuer and the rights offering circular contains very limited disclosure about the issuer and its business. Accordingly, there may not be sufficient disclosure upon which an investor can make an informed investment decision.

- (a) If we repeal the rights offering prospectus exemption for non-reporting issuers,
 - Would this create an obstacle to capital formation for non-reporting issuers?
 - Do you foresee any other problems?
 - Would repealing the Current Exemption cause problems for foreign issuers that do not meet the Minimal Connection Exemption? If so, should we consider changes to the Minimal Connection Exemption? Please explain what changes would be appropriate and the basis for those changes.
- (b) Do you think we should consider changes to the Current Exemption instead of repealing it? If so, what changes should we consider?

- If you think we should change the disclosure requirements, please explain what disclosure would be more appropriate.
 - Should non-reporting issuers be required to provide audited financial statements to their security holders with the rights offering circular if they use the exemption?
- (c) If the Current Exemption is repealed, non-reporting issuers could continue to offer securities to existing security holders under other prospectus exemptions such as the offering memorandum exemption, the accredited investor exemption, and the family, friends and business associates exemption. Are there other circumstances in which non-reporting issuers need to rely on the Current Exemption? If so, please describe.

Questions relating to the Stand-by Exemption

11. We propose that the securities distributed under the Stand-by Exemption to a stand-by guarantor who is not a current security holder or who is a registered dealer will be subject to a four-month hold period. We understand that stand-by guarantors are often either insiders of the issuer or registered dealers.
- (a) Should stand-by guarantors be subject to different resale restrictions depending on whether or not they are security holders of the issuer on the date of the notice?
- (b) What challenges would there be for issuers trying to find a stand-by guarantor that is not already a security holder?
12. We are considering whether securities distributed under the Stand-by Exemption to a stand-by guarantor that *is* an existing security holder should also be subject to a four-month hold.
- (a) If the stand-by guarantor is an existing security holder, should we require a four month hold? Why or why not?
- (b) We understand that in many cases, a stand-by guarantor receives a fee for providing a stand-by commitment. Should a stand-by guarantor that receives a fee and is a current security holder be subject to a restricted period on resale when other security holders are not subject to the restricted period?
- (c) What challenges do you foresee if we require a four-month hold?

Question relating to the Minimal Connection Exemption

13. We are considering whether we should require the filing of materials with the regulator through SEDAR as part of the Minimal Connection Exemption. Most issuers using the Minimal Connection Exemption would be foreign issuers. We understand that some, but not all, of these issuers use local counsel to file the materials. Do you anticipate

challenges if we require that materials for the Minimal Connection Exemption be filed on SEDAR?

Please submit your comments in writing on or before February 25, 2015. If you are sending your comments by email, please also send an electronic file containing the submissions (in Microsoft Word format).

Address your submission to all of the CSA as follows:

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission (New Brunswick)
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island
Nova Scotia Securities Commission
Securities Commission of Newfoundland and Labrador
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon
Superintendent of Securities, Nunavut

Deliver your comments **only** to the addressees below. Your comments will be distributed to the other participating CSA members.

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We cannot keep submissions confidential because securities legislation in certain provinces requires publication of a summary of the written comments received during the comment period.

In addition, all comments received will be posted on the website of the *Autorité des marchés financiers* at www.lautorite.qc.ca and the website of the Ontario Securities Commission at www.osc.gov.on.ca. Therefore, you should not include personal information directly in comments to be published. It is important that you state on whose behalf you are making the submission.

Thank you in advance for your comments.

Contents of Annexes

The following annexes form part of this CSA Notice:

Annex A:	<p>A1: Proposed instruments amending or repealing</p> <ul style="list-style-type: none"> • NI 45-106 • NI 45-101 • NI 41-101 • NI 44-101 • NI 45-102 <p>A2: Proposed changes to</p> <ul style="list-style-type: none"> • 45-106CP • 41-101CP
Annex B:	Local matters

Questions

Please refer your questions to any of the following:

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