

Amendments to *The Securities Act, 1988*

The following provisions of [The Securities Amendment Act, 2008](#) will come into force on April 13, 2009:

4	New clause 11.1(1)(f) gives the Commission the power to designate a person or company to be or not to be an accredited investor.
15	New section 52.1 gives the Commission the power to order a registrant to submit advertising material to the Director before it is used.
18	Clause 80.1(3)(b) is amended to create the same period for filing an offering memorandum and an amendment to an offering memorandum, i.e., ten days after the distribution.
20	Section 98 is amended to include a new definition of "offer to acquire" and "offeror", terms used in National Instrument 62-104 <i>Take-over Bids and Issuer Bids</i> .
24(1)	Clause 134 (1)(f) is amended to delete the reference to rules of self-regulatory organizations and policy statements. The Commission will not have the power to issue a cease trade order for contravention of SRO rules or policy statements.
24(2)	New subsection 134(1.1) clarifies that the issuance of a reciprocal order is not dependent on issuance of a cease trade order pursuant to subsection 134(1).
25(1)	Subsection 135.6(7) is repealed. Subsection (7) precluded the Commission from making a financial compensation order under section 135.6 if the claimant had commenced a civil action to recover the same loss. The repeal of subsection (7) preserves a claimant's right of action in civil courts.
25(2)	Subsection 135.6(9) is amended to clarify that proceedings in civil courts are stayed until the Commission has made a decision regarding financial compensation after a hearing under the Act.
25(3)	Subsection 135.6(9.1) is added to clarify that a claimant may commence a civil action to recover a loss after the Commission has opens a hearing.
26 to 30	Sections 137, 138, 138.1, 138.2 and 139 are amended to replace the words "is deemed to have relied on that misrepresentation if it was a misrepresentation at the time of purchase and has" and substitute "has, without regard to whether the purchaser relied on the misrepresentation". This amendment aligns the misrepresentation provisions in sections 137 to 139 with wording in provisions in Part XVIII.1 that create civil rights of action for misrepresentation in issuers' secondary market disclosure.

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The Securities Amendment Act, 2007 is amended :

- to repeal section 32 of the amendment act that repealed section 79 of the Act. Section 79 imposes a prospectus delivery requirement, and creates a right of withdrawal. It was necessary to retain section 79, because its provisions were not included in National Instrument 41-101 *Prospectus Requirements*.
- to repeal subsection 56(1) of the amendment act. Subsection 56(1) amended section 141(2)(a) of the Act to repeal a reference to section 79. That amendment is no longer necessary because section 79 is not repealed.

The remaining sections of *The Securities Amendment Act, 2008* will be proclaimed in force in late September 2009 at the same time that National Instrument 31-103 *Registration Requirements* is implemented. These sections will implement amendments to the registration provisions in *The Securities Act, 1988* (the Act) that are necessary to adopt NI 31-103, and to implement the new "business" trigger for registration.

April 8, 2009

Contact:

Director, Securities Division
(306) 787-5842