



BC Notice 2006/18

Eliminating certificates under section 77 of the *Securities Act* respecting status of reporting issuers

Purpose of this Notice

Effective September 15, 2006, the Commission will no longer issue certificates that

- an issuer is a reporting issuer
- a reporting issuer is not in default of filing financial statements required by BC securities legislation or paying prescribed fees.

Change in practice and related changes to the *Securities Act*

On May 18, 2006, Bill 20 *Securities Amendment Act, 2006* (Bill 20) received Royal Assent. Bill 20 includes an amendment to section 77 that eliminates the provisions for the Commission to

- provide certificates that an issuer is a reporting issuer (subsection 77(1)), and
- provide certificates that a reporting issuer is not in default of filing its required financial statements or paying its prescribed fees and charges (commonly referred to as certificates of good standing) (subsection 77(3)).

The legislature amended the Act to eliminate section 77 certificates because they provide limited information, which is readily available to the public from other sources. Until the amendment is brought into force, the original provisions permit, but do not require, the Commission to provide the certificates under section 77.

Although the Bill 20 changes are not yet in force, the Commission has decided to change its practice for issuing these certificates on the same date as the practice changes in Alberta. Similar amendments to the *Securities Act (Alberta)* come into force on September 15, 2006.

Market participants that need to determine whether an issuer is a reporting issuer or is in default could:

- refer to the definition of “reporting issuer” in subsection 1(1) of the Act (www.qp.gov.bc.ca/statreg/stat/S/96418_01.htm) to assess whether an issuer is a reporting issuer,
- refer to the list of issuers in default on the Commission’s website (www.bcsbc.ca/crequirements.asp?id=271) to determine whether an issuer is in default, or
- research disclosure about public companies and mutual funds on the SEDAR website (www.sedar.com).

If you have any questions about these changes in practice, you may contact:

BCSC Inquires Group
604 899-6854
1-800-373-6393 (toll free in BC and Alberta)
inquiries@bcsc.bc.ca

September 8, 2006

Douglas M. Hyndman
Chair

This Notice may refer to other documents. These documents can be found at the B.C. Securities Commission public website at www.bcsc.bc.ca in the section Securities Law & Policy: Policies & Instruments