



BC Notice 2018/07

BCSC Notice and Request for Comment

Proposed Amendments to BC Instrument 13-502 *Electronic filing of reports of exempt distribution* related to filing annual reports of exempt distribution in eServices

The British Columbia Securities Commission (BCSC or we) is publishing for a 60-day comment period proposed amendments to British Columbia Instrument 13-502 *Electronic filing of reports of exempt distribution* (BCI 13-502) to require all reports of exempt distribution to be filed in the BCSC eServices system, including reports filed on an annual basis by investment funds. Corresponding amendments are being made to related Companion Policy 13-502CP *Electronic filing of reports of exempt distribution* (13-502CP). The proposed amendments are set out in Annexes A and B of this Notice.

Background

Currently, BCI 13-502 applies only to reports required to be filed on or before the 10th day after the distribution of a security under the *Securities Act* (British Columbia) (Act), the regulations under the Act, or an order made by the BCSC or the Executive Director of the BCSC. BCI 13-502 requires these reports, and related offering memoranda, technical reports and consents, to be filed electronically using eServices.

Under section 6.2(2) of National Instrument 45-106 *Prospectus Exemptions*, investment funds relying on certain prospectus exemptions are allowed to file exempt distribution reports on an annual basis, instead of within 10 days after the distribution. BCI 13-502 does not apply to reports filed on an annual basis; these annual reports are not required to be filed in eServices and may be filed with us in paper format.

Proposed amendments

We propose amending BCI 13-502 to require all reports to be filed in eServices, including annual reports filed by investment funds, in order to enhance our review of the exempt distribution market.

We will continue to permit investment funds filing annual reports to pay the required filing fee by cheque.

Request for Comments

The BCSC welcomes your comments on the proposed amendments. Please submit your comments in writing on or before November 20, 2018; email submissions are preferred. Please include a prominent reference to the subject matter of your comments in your subject line. Address your submission to the BCSC as follows:

Victoria Steeves
Senior Legal Counsel
British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, BC V7Y 1L2
vsteeves@bcsc.bc.ca

Please note that, while we do not plan to publish any comment letters on our website, we cannot keep comments confidential. You should not include personal information directly in comments. It is important that you state on whose behalf you are making the submission.

Annexes

This notice contains the following annexes:

Annex A – Proposed amendments to BC Instrument 13-502 *Electronic filing of reports of exempt distribution*

Annex B – Proposed amendments to Companion Policy 13-502CP *Electronic filing of reports of exempt distribution*

Questions

Please refer your questions to either of the following:

Victoria Steeves
Senior Legal Counsel, Corporate Finance
British Columbia Securities Commission
604-899-6791
vsteeves@bcsc.bc.ca

Jody-Ann Edman
Assistant Manager, Financial Reporting
British Columbia Securities Commission
604-899-6698
jedman@bcsc.bc.ca

September 20, 2018

Brenda M. Leong
Chair