

British Columbia Securities Commission

Companion Policy 72-505CP

***Exemption from prospectus requirement
for crowdfunding distributions to purchasers outside British Columbia***

The British Columbia Securities Commission, changes Companion Policy 72-505CP *Exemption from prospectus requirement for crowdfunding distributions to purchasers outside British Columbia*, effective June 9, 2023, by changing:

- section 2 to reflect that reports of exemption distribution will be transmitted through SEDAR+ under National Instrument 13-103 *System for Electronic Data Analysis and Retrieval* + (SEDAR+)
- section 3 to replace a reference to SEDAR with a reference to SEDAR+

so that the policy reads as attached.

June 7, 2023

Brenda M. Leong
Chair

Gordon Johnson
Vice Chair

(This part for administrative purposes only and is not part of the Order)

Authority under which Order is made:

Act and sections: *Securities Act*, section 188

Companion Policy 72-505CP

Exemption from prospectus requirement for crowdfunding distributions to purchasers outside British Columbia

1. This Instrument applies to issuers located in British Columbia seeking to raise capital from investors located outside of the province using Multilateral Instrument 45-108 *Crowdfunding* (MI 45-108).
2. Under MI 45-108, an issuer must file a Form 45-106F1 *Report of Exempt Distribution* with the local securities regulatory authority or regulator no later than 10-days after the closing of the distribution. A British Columbia-based issuer that uses BC Instrument 72-505 to complete a distribution out of the province must file that same exempt distribution report with the Commission.

Under National Instrument 13-103 *System for Electronic Data Analysis and Retrieval + (SEDAR+)*, issuers are required to file exempt distribution reports through SEDAR+.

3. Under MI 45-108, an issuer must file any offering materials with, and deliver certain ongoing disclosure to, the local securities regulatory authority or regulator in the jurisdiction of the purchaser. A British Columbia-based issuer that uses BC Instrument 72-505 to complete a distribution out of the province also must deliver these documents to the Commission.

To deliver these materials to the Commission, file them electronically through SEDAR+.