

Annex I

Proposed Amendments to National Instrument 45-106 *Prospectus Exemptions*

1. *National Instrument 45-106 Prospectus Exemptions is amended by this Instrument.*

2. *Section 1.1 is amended by replacing the definition of “designated rating” with the following:*

“**designated rating**” has the same meaning as in paragraph (b) of the definition of “designated rating” in National Instrument 81-102 *Investment Funds*;

3. *Section 1.1 is amended by replacing the definition of “designated rating organization” with the following:*

“**designated rating organization**” has the same meaning as in National Instrument 44-101 *Short Form Prospectus Distributions*;

4. *Subsection 2.35(1) is amended by replacing paragraphs (b) and (c) with the following:*

(b) the note or commercial paper has a credit rating from a designated rating organization listed below, or any of its DRO affiliates, that is at or above one of the following corresponding rating categories or that is at or above a category that replaces one of the following corresponding rating categories:

(i) R-1(low) if issued by DBRS Limited;

(ii) F1 if issued by Fitch Ratings, Inc.;

(iii) P-1 if issued by Moody’s Canada Inc.;

(iv) A-1(Low) (Canada national scale) if issued by S&P Global Ratings Canada;

(c) the note or commercial paper has no credit rating from a designated rating organization listed below, or any of its DRO affiliates, that is below one of the following corresponding rating categories or that is below a category that replaces one of the following corresponding rating categories:

(i) R-1(low) if issued by DBRS Limited;

(ii) F2 if issued by Fitch Ratings, Inc.;

(iii) P-2 if issued by Moody’s Canada Inc.;

- (iv) A-1(Low) (Canada national scale) or A-2 (global scale) if issued by S&P Global Ratings Canada..

5. Section 2.35.2 is amended by replacing subparagraphs (a)(i) and (a)(ii) with the following:

- (i) it has a credit rating from not less than two designated rating organizations listed below, or any of their respective DRO affiliates, and at least one of the credit ratings is at or above one of the following corresponding rating categories or is at or above a category that replaces one of the following corresponding rating categories:
 - (A) R-1(high)(sf) if issued by DBRS Limited;
 - (B) F1+sf if issued by Fitch Ratings, Inc.;
 - (C) P-1(sf) if issued by Moody's Canada Inc.;
 - (D) A-1(High)(sf) (Canada national scale) or A-1+(sf) (global scale) if issued by S&P Global Ratings Canada;
- (ii) it has no credit rating from a designated rating organization listed below, or any of its DRO affiliates, that is below one of the following corresponding rating categories or that is below a category that replaces one of the following corresponding rating categories:
 - (A) R-1(low)(sf) if issued by DBRS Limited;
 - (B) F2sf if issued by Fitch Ratings, Inc.;
 - (C) P-2(sf) if issued by Moody's Canada Inc.;
 - (D) A-1(Low)(sf) (Canada national scale) or A-2(sf) (global scale) if issued by S&P Global Ratings Canada.;

6. Section 2.35.2 is amended by replacing clause (a)(iv)(C) with the following:

- (C) the liquidity provider has a credit rating from each of the designated rating organizations, or any of their respective DRO affiliates, providing a credit rating on the short-term securitized product referred to in subparagraph 2.35.2(a)(i), for its senior, unsecured short-term debt, none of which is dependent upon a guarantee by a third party, and each credit rating from those designated rating organizations, or any of their respective DRO affiliates, is at or above the following corresponding rating categories or is at or above a category that replaces one of the following corresponding rating categories:

1. R-1(low) if issued by DBRS Limited;
 2. F2 if issued by Fitch Ratings, Inc.;
 3. P-2 if issued by Moody's Canada Inc.;
 4. A-1(Low) (Canada national scale) or A-2 (global scale) if issued by S&P Global Ratings Canada;
7. This Instrument comes into force on •.