

## Annex B-1

### Proposed Amendments to National Instrument 45-106 *Prospectus and Registration Exemptions*

- 1** *National Instrument 45-106 Prospectus and Registration Exemptions is amended by this Instrument.*
- 2** *Section 6.3 is amended*
  - (a) in subsection (1) by striking out “The required form” and substituting “Except in British Columbia, the required form”,*
  - (b) in subsection (2) by adding “and British Columbia” after “Manitoba”, and*
  - (c) by adding the following subsection:*
    - (3) In British Columbia, the required form of report under section 6.1 [Report of exempt distribution] is BC Form 45-106F6.*
- 3** *Form 45-106F1 Report of Exempt Distribution is amended in the first line by striking out “This is the form” and substituting “Except in British Columbia, this is the form”.*
- 4** *Form 45-106F1 Report of Exempt Distribution is amended by repealing Instruction 2 and substituting the following:*
  2. File this report and the applicable fee in each jurisdiction of Canada in which a distribution is made, other than British Columbia, at the addresses listed at the end of this report. If the distribution is made in more than one jurisdiction of Canada other than British Columbia, the issuer/underwriter must complete a single report identifying all purchasers and file that report in each of those jurisdictions. Filing fees associated with the filing of the report are not affected by identifying all purchasers in a single report.
    - 2.1 If a distribution is made in British Columbia, file Form 45-106F6. If a distribution is made in British Columbia and one or more other jurisdictions of Canada, file Form 45-106F6 in British Columbia and file this Form in the other applicable jurisdictions.
- 5** *Form 45-106F1 Report of Exempt Distribution is amended under the heading “Securities Regulatory Authorities and Regulators” by striking out the following:*

**British Columbia Securities Commission**

P.O. Box 10142, Pacific Centre

701 West Georgia Street

Vancouver, British Columbia V7Y 1L2

Telephone: (604) 899-6500

Toll free in British Columbia and Alberta 1-800-373-6393

Facsimile: (604) 899-6506

**6 The following form is added:**

**Form 45-106F6**

***British Columbia Report of Exempt Distribution***

**Issuer/underwriter information**

**Item 1:** State the full name of the issuer of the security distributed and the address and telephone number of the issuer's head office. If the issuer is an investment fund, state the name of the fund as the issuer, and provide the full name of the investment fund manager and the address and telephone number of the manager's head office. Include the former name of the issuer if its name has changed since this report was last filed. If an underwriter is completing this report, state the full name of the underwriter and the address and telephone number of the underwriter's head office.

**Item 2:** State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

**Item 3:** Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.

Bio-tech

Financial Services

investment companies and funds

mortgage investment companies

Forestry

Hi-tech

Industrial

Mining

exploration/development

production

Oil and gas

Real estate

Utilities

Other (describe)

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**Item 4:** If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and

promoter of the issuer. If the promoter is not an individual, complete the table for directors and officers of the promoter.

Full name, municipality and country of principal residence	All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities)	Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution	Total price paid for all securities beneficially owned or, directly or indirectly, controlled on the distribution date, including any securities purchased under the distribution (Canadian \$)

**Details of distribution**

**Item 5:** Complete Schedule I to this report. The information required in items 6, 7, 8 and 9 must reconcile with the information in Schedule I.

**Item 6:** State the distribution date. If this report is being filed in respect of securities distributed on more than one distribution date, state all distribution dates. This information must reconcile with the information in Schedule I.

**Item 7:** For each security distributed:

- (a) describe the type of security;
- (b) state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and
- (c) state the exemption(s) from the prospectus requirement relied on for the distribution.

This information must reconcile with the information in Schedule I.

**Item 8:** Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table securities issued as payment for commissions or finder's fees disclosed under item 10 of this report. The information provided in this table must reconcile with the information in Schedule I.

Each Canadian and foreign jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) <sup>1</sup>	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
<b>Total number of Purchasers</b>			
<b>Total dollar value of distribution in all jurisdictions (Canadian \$)</b>			

**Note 1:** If securities are issued at different prices, list the highest and lowest price for which the securities were sold.

**Item 9:** Complete the following table for each purchaser of securities under the distribution. If the report is being completed by an issuer outside British Columbia, only include information about purchasers resident in British Columbia. Do not include in this table securities issued as payment of commissions or finder's fees disclosed under item 10 of this report.

When completing the information in the second column, insert the appropriate letter: (I) for insider or (R) for registrant. If the purchaser is neither an insider nor a registrant, leave the column blank.

The information provided in this table must reconcile with Schedule I.

Full name of purchaser. If the purchaser is not an individual, include the name of a contact person.	Is the purchaser an insider (I) of the issuer or a registrant (R)?	Number and type of securities purchased	Total purchase price (Canadian \$)

**Commissions and finder's fees**

**Item 10:** Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

If the securities being issued as compensation are or include convertible securities, such as warrants or options, add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Compensation paid or to be paid (cash and/or securities)				Total dollar value of compensation (Canadian \$)
	Cash (Canadian \$)	Securities			
		Number and type of securities issued	Price per security (Canadian \$)	Exemption relied on and date of distribution	

**Certificate**

On behalf of the [issuer/underwriter], I certify that the statements made in this report are true.

Date: \_\_\_\_\_

\_\_\_\_\_  
Name of [issuer/underwriter] (please print)

\_\_\_\_\_  
Print name, title and telephone number of person signing

\_\_\_\_\_  
Signature

*Instruction*

*The person certifying this report must complete the bracketed information by deleting the inapplicable word.*

**Item 11:** State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.**

**Notice - Collection and use of personal information**

The British Columbia Securities Commission collects and uses the personal information required to be included in this report under the authority granted in the *Securities Act*. It is collected for the purposes of the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

**British Columbia Securities Commission**  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, British Columbia V7Y 1L2  
Telephone: (604) 899-6500  
Toll free: 1-800-373-6393  
Facsimile: (604) 899-6581

**Schedule I**

Complete the table below.

For a report filed under subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus and Registration Exemptions*, the issuer/underwriter may replace the information in column 1 with the total number of purchasers by jurisdiction.

Do not include in this table securities issued as payment of commissions or finder's fees disclosed under item 10 of this report.

When completing the information in the second column, insert the appropriate letter: (I) for insider or (R) for registrant. If the purchaser is neither an insider nor a registrant, leave the column blank.

If the space provided in the table is insufficient, please adjust the table to include additional space.

This schedule will not be part of the Commission’s public file. Some of the information in this schedule is required in Item 9 of the Form, which will be publicly available on the Commission’s website. Freedom of information legislation in British Columbia may require the Commission to make certain non-public information available if requested.

Full name, residential address and telephone number of purchaser	Is the purchaser an insider (I) of the issuer or a registrant (R)?	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution

**Guidance for completing and filing Form 45-106F6:**

- This is the form of report required under section 6.1 of National Instrument 45-106 Prospectus and Registration Exemptions for distributions of securities made in British Columbia. In British Columbia, “distribution” includes distributions made from another Canadian or foreign jurisdiction to purchasers resident in British Columbia as well as distributions made from British Columbia to purchasers resident in other Canadian or foreign jurisdictions if the issuer has a significant connection to British Columbia. British Columbia Interpretation Note 72-702 Distribution of Securities to Persons Outside British Columbia provides guidance on whether an issuer has a significant connection to British Columbia.*
- If the distribution is made in more than one jurisdiction, the issuer/underwriter may also be required under section 6.3 of National Instrument 45-106 Prospectus and Registration Exemptions to file Form 45-106F1 Report of exempt distribution in each other jurisdiction of Canada where the distribution occurred. A distribution may occur in more than one jurisdiction if the issuer is located in one jurisdiction and the purchaser is in another jurisdiction. In those cases, the issuer must comply with the reporting requirements of this Form and of Form 45-106F1, as well as all other relevant securities legislation in those other jurisdictions of Canada. For example, an issuer located in British Columbia distributing shares to a purchaser resident in Alberta is required to comply with the securities law requirements of both British Columbia and Alberta. An issuer located outside of British Columbia distributing securities to residents of British Columbia must comply with British Columbia securities legislation, including the requirements in this Form and sections 6.1 and 6.3 of National Instrument 45-106 Prospectus and Registration Exemptions.*

3. *If the distribution was made in more than one jurisdiction, instruction 2 of Form 45-106F1 requires an issuer/underwriter to complete a single report identifying all purchasers and to file that report in all jurisdictions where the distribution was made. This instruction does not apply in British Columbia. If the distribution was made in British Columbia and in another jurisdiction of Canada, the issuer/underwriter must complete both Form 45-106F6 and Form 45-106F1 in connection with the distribution. The issuer/underwriter must file the completed Form 45-106F6 with the British Columbia Securities Commission in accordance with paragraph 6 below and file the completed Form 45-106F1 in accordance with the instructions in that Form in the other applicable jurisdictions.*
4. *References to a purchaser in this report are to the beneficial owner of the securities.*
5. *The terms “insider” and “promoter” are defined in the Securities Act (British Columbia).*
6. *File this report and the applicable fee using BCSC e-services in accordance with British Columbia Instrument 13-502 Electronic filing of reports of exempt distribution. If the issuer is not required to comply with that Instrument (for example, the issuer is an investment fund filing an annual report of exempt distribution as permitted under section 6.2(2) of National Instrument 45-106 Prospectus and Registration Exemptions) file the report at the following address:*

***British Columbia Securities Commission***

*P.O. Box 10142, Pacific Centre*

*701 West Georgia Street*

*Vancouver, British Columbia V7Y 1L2*

*Telephone: (604) 899-6500*

*Toll free: 1-800-373-6393*

*Facsimile: (604) 899-6581*

7. *One report may be used for multiple distributions occurring within 10 days of each other provided that the report is filed on or before the 10<sup>th</sup> day following the first of such distributions.*
8. *In order to determine the applicable fee, consult Fee Checklist British Columbia Form 11-901F (item # 16).*

**7 This Instrument comes into force on ●.**