

**NOTICE**

**Amendments to  
National Instrument 41-101 *General Prospectus Requirements***

**and**

**Amendments to  
National Instrument 44-101 *Short Form Prospectus Distributions***

**and**

**Amendments to  
National Instrument 44-102 *Shelf Distributions***

**and**

**Amendments to  
National Instrument 81-101 *Mutual Fund Prospectus Disclosure***

**and**

**Consequential Amendments**

**and**

**Changes to  
Companion Policy 41-101CP to *National Instrument 41-101 General  
Prospectus Requirements*, Companion Policy 44-101CP to *National Instrument  
44-101 Short Form Prospectus Distributions*, Companion Policy 44-102CP to  
*National Instrument 44-102  
Shelf Distributions* and Companion Policy 81-101CP to *National Instrument  
81-101 Mutual Fund Prospectus Disclosure***

**February 28, 2013**

## Introduction

We, the Canadian Securities Administrators (**CSA**), are implementing amendments to:

- National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**);
- National Instrument 44-101 *Short Form Prospectus Distributions* (**NI 44-101**);
- National Instrument 44-102 *Shelf Distributions* (**NI 44-102**);
- National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**).

The references above to a national instrument include its form(s).

We are also implementing changes to:

- Companion Policy 41-101CP to *National Instrument 41-101 General Prospectus Requirements* (**41-101CP**);
- Companion Policy 44-101CP to *National Instrument 44-101 Short Form Prospectus Distributions* (**44-101CP**);
- Companion Policy 44-102CP to *National Instrument 44-102 Shelf Distributions* (**44-102CP**);
- Companion Policy 81-101CP to *National Instrument 81-101 Mutual Fund Prospectus Disclosure* (**81-101CP**).

The amendments to NI 41-101, NI 44-101, NI 44-102 and NI 81-101 and related changes to 41-101CP, 44-101CP, 44-102CP and 81-101CP are collectively referred to in this Notice as the “**Amendments and Related Changes**”.

NI 41-101 provides a comprehensive set of prospectus requirements for issuers. NI 44-101 sets out requirements for an issuer intending to file a prospectus in the form of a short form prospectus. NI 44-102 sets out requirements for a distribution under a short form prospectus using shelf procedures. NI 81-101 sets out requirements for an issuer that is a mutual fund to file a simplified prospectus, annual information form and fund facts document. NI 41-101, NI 44-101, NI 44-102 and NI 81-101 are collectively referred to in this Notice as the “**Prospectus Rules**”.

The Amendments and Related Changes are expected to be adopted by each member of the CSA, and provided that all necessary ministerial approvals are obtained, will be effective May 14, 2013.

## **Substance and Purpose**

The primary purpose of the Amendments and Related Changes is to address user experience and the CSA's experience with the Prospectus Rules since the implementation of the general prospectus rule, NI 41-101, on March 17, 2008.

The Amendments and Related Changes are intended to:

- clarify certain provisions of the Prospectus Rules;
- address gaps in the Prospectus Rules;
- modify certain requirements in the Prospectus Rules to enhance their effectiveness;
- remove or streamline certain requirements in the Prospectus Rules that are burdensome for issuers and of limited utility for securityholders; and
- codify prospectus relief that has been granted in the past.

## **Background**

As part of a post-adoption process following implementation of NI 41-101 on March 17, 2008, the CSA tracked issues that arose in connection with NI 41-101 and other Prospectus Rules, and developed amendments and related changes to address those issues where warranted. These amendments and related changes were published for comment on July 15, 2011 (the **July 2011 Materials**). Please refer to the July 2011 Materials for further background.

## **Summary of Written Comments Received by the CSA**

During the comment period, we received submissions from 28 commenters. We have considered the comments received and thank all the commenters for their input. The names of commenters are contained in Appendix A of this Notice and a summary of their comments, together with our responses, are contained in Appendix B of this Notice.

We note that the majority of the comment letters received related to our proposal in the July 2011 Materials to make experts subject to the requirement to submit to jurisdiction and appoint an agent. As described in Appendix B to this Notice, we have decided not to proceed with this proposal.

## **Summary of Changes to the July 2011 Materials**

We have made certain changes to the July 2011 Materials in response to the comments we received and related analysis.

The July 2011 Materials proposed that, going-forward, an issuer would not be required to deliver a personal information form (**PIF**) for an individual if the issuer or another issuer had previously delivered a PIF for that individual, provided certain conditions were satisfied. One requirement we proposed was that the issuer deliver a certificate listing each individual for whom a PIF had previously been delivered and the details of the related prospectus filing, and which provided the

issuer's certification that each such individual had confirmed that specified information in the previously delivered PIF remained correct. This certificate was set out in proposed Appendix A, Schedule 4 of NI 41-101 (**Schedule 4**).

We have eliminated Schedule 4 because it may place an unnecessary burden on issuers. Instead, we have added guidance in 41-101CP and 44-101CP reminding issuers that, when relying on a previously delivered PIF, the issuer should obtain appropriate confirmations from the individual that the specified information in the previously filed PIF is still correct. In lieu of Schedule 4, we have also substituted a more narrow condition that, where an issuer is relying on the previous delivery of a PIF by another issuer, the issuer must deliver that PIF or provide alternative information. We have added guidance to 41-101CP and 44-101CP that explains the alternative information we would normally consider sufficient.

In an effort to clarify the PIF filing requirements, we have also revised the drafting of the applicable provisions in subsections 9.1(2) and (3) of NI 41-101 (and equivalent provisions of NI 44-101) and have prepared new definitions for "personal information form", "TSX/TSXV personal information form" and "predecessor personal information form".

Also, in response to comments received in connection with the new principal distributor certificate requirement for investment funds in NI 41-101 and the amendments to the principal distributor certificate required by NI 81-101, we have changed the principal distributor certificates so that a principal distributor will be required to provide a certificate to the best of its knowledge, information and belief.

The rest of the changes to the July 2011 Materials are conforming changes or are minor in nature.

As none of the above-mentioned changes are material, we are not republishing the Amendments and Related Changes for comment.

### **Consequential Amendments**

We are also publishing consequential amendments to:

- National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* (**NI 52-107**);
- National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**);
- National Instrument 13-101 *System for Electronic Document Analysis and Retrieval* (**NI 13-101**).

### **Other Changes**

We are also making changes to Companion Policy 52-107CP to *National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards* (**52-107 CP**).

## **Guide to this Notice**

We have not published blacklines showing the changes we made to the July 2011 Materials. Instead, those changes have been described above under “Summary of Changes to the July 2011 Materials”.

In this Notice, we are publishing final amendments and changes (i.e. the July 2011 Materials, as modified in response to the comments we received). Where we have chosen to publish blacklines, the blacklines show the final amendments and changes compared to the versions now in effect.

Please refer to the List of Appendices at the end of the main body of this Notice for further detail.

## **Local Notices**

Certain jurisdictions will publish other information required by local securities legislation in Appendix N to this Notice.

## **Questions**

### **A. Questions relating to Investment Funds**

Certain amendments apply only to investment funds. These amendments are found in Form 41-101F2 *Information Required in an Investment Fund Prospectus* and NI 81-101 including Form 81-101F2 *Contents of Annual Information Form*. If your questions relate to these amendments, please refer your questions to any of:

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**B. All Other Questions**

Certain amendments apply to issuers other than investment funds. These amendments are found in NI 41-101 including Form 41-101F1 *Information Required in a Prospectus*, NI 44-101 including Form 44-101F1 *Short Form Prospectus*, NI 44-102 and the consequential amendments to NI 52-107, NI 51-102 and NI 13-101. If your questions relate to these amendments, please refer your questions to any of:

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