

NOTICE

National Instrument 41-101 *General Prospectus Requirements* and Companion Policy 41-101CP *General Prospectus Requirements*,

**Repeal of
National Instrument 41-101 *Prospectus Disclosure Requirements*,**

Amendments to National Instrument 14-101 *Definitions*,

**Amendments to National Instrument 44-101 *Short Form Prospectus Distributions* and
Companion Policy 44-101CP *Short Form Prospectus Distributions*,**

Amendments to National Instrument 44-102 *Shelf Distributions* and Companion Policy 44-102CP *Shelf Distributions*,

Amendments to National Instrument 44-103 *Post-Receipt Pricing* and Companion Policy 44-103CP *Post-Receipt Pricing*,

Amendments to National Instrument 45-101 *Rights Offerings*,

**Amendments to National Instrument 51-102 *Continuous Disclosure Obligations* and
Companion Policy 51-102CP *Continuous Disclosure Obligations*,**

**Amendments to National Instrument 81-101 *Mutual Fund Prospectus Disclosure* and
Companion Policy 81-101CP *Mutual Fund Prospectus Disclosure*,**

Amendments to National Instrument 81-104 *Commodity Pools* and Companion Policy 81-104CP *Commodity Pools*,

Amendments to National Policy 12-202 *Revocation of a Compliance-related Cease Trade Order*,

Repeal of National Policy 14 *Acceptability of Currencies in Material Filed with Securities Regulatory Authorities*,

and

Repeal of National Policy 21 *National Advertising – Warnings*

December 21, 2007

Introduction

We, the Canadian Securities Administrators (**CSA**) are adopting

- National Instrument 41-101 *General Prospectus Requirements* (the **Rule**) (Schedule 1 of Appendix B),
- Form 41-101F1 *Information Required in a Prospectus* of the Rule (**Form F1**) (Schedule 2 of Appendix B),
- Form 41-101F2 *Information Required in an Investment Fund Prospectus* of the Rule (**Form F2**) (Schedule 3 of Appendix B), and
- Companion Policy 41-101CP *General Prospectus Requirements* (the **Companion Policy**) (Schedule 4 of Appendix B).

The Rule, Form F1 and Form F2 are collectively referred to as the **Instrument**.

We are also adopting amendments to

- National Instrument 14-101 *Definitions* (**NI 14-101**) (Appendix C),
- National Instrument 44-101 *Short Form Prospectus Distributions* (**NI 44-101**) (Schedule 1 of Appendix D),
- Form 44-101F1 *Short Form Prospectus* of NI 44-101 (**Form 44-101F1**) (Schedule 2 of Appendix D),
- National Instrument 44-102 *Shelf Distributions* (**NI 44-102**) (Schedule 1 of Appendix E),
- Companion Policy 44-102CP to National Instrument 44-102 *Shelf Distributions* (**44-102CP**) (Schedule 2 of Appendix E),
- National Instrument 44-103 *Post-Receipt Pricing* (**NI 44-103**) (Schedule 1 of Appendix F),
- Companion Policy 44-103CP to National Instrument 44-103 *Post-Receipt Pricing* (**44-103CP**) (Schedule 2 of Appendix F),
- Form 45-101F *Information Required in a Rights Offering Circular* of National Instrument 45-101 *Rights Offerings* (**Form 45-101F**) (Appendix G),

- National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) (Schedule 1 of Appendix H),
- Form 51-102F2 *Annual Information Form* of NI 51-102 (**Form 51-102F2**) (Schedule 2 of Appendix H),
- Form 51-102F5 *Information Circular* of NI 51-102 (**Form 51-102F5**) (Schedule 3 of Appendix H),
- Companion Policy 51-102CP to National Instrument 51-102 *Continuous Disclosure Obligations* (**51-102CP**) (Schedule 4 of Appendix H),
- National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**) (Schedule 1 of Appendix I),
- Form 81-101F1 *Contents of Simplified Prospectus* of NI 81-101 (**Form 81-101F1**) (Schedule 2 of Appendix I),
- Form 81-101F2 *Contents of Annual Information Form* of NI 81-101 (**Form 81-101F2**) (Schedule 3 of Appendix I),
- Companion Policy 81-101CP to National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**81-101CP**) (Schedule 4 of Appendix I),
- National Instrument 81-104 *Commodity Pools* (**NI 81-104**) (Schedule 1 of Appendix J),
- Companion Policy 81-104CP to National Instrument 81-104 *Commodity Pools* (**81-104CP**) (Schedule 2 of Appendix J), and
- National Policy 12-202 *Revocation of a Compliance-related Cease Trade Order* (**NP 12-202**) (Appendix K).

We are also replacing Companion Policy 44-101CP to National Instrument 44-101 *Short Form Prospectus Distributions* (**44-101CP**) (Schedule 3 of Appendix D).

We are also repealing

- National Policy 14 *Acceptability of Currencies in Material Filed with Securities Regulatory Authorities* (**NP 14**), and
- National Policy 21 *National Advertising – Warnings* (**NP 21**).

The amendments to NI 14-101, NI 44-101, Form 44-101F1, NI 44-102, NI 44-103, Form 45-101F, NI 51-102, Form 51-102F2, Form 51-102F5, NI 81-101, Form 81-101F1, Form 81-101F2 and NI 81-104 are collectively referred to as the **Instrument Amendments**. The amendments to

44-102CP, 44-103CP, 51-102CP, 81-101CP, 81-104CP and NP 12-202, the replacement of 44-101CP, and the repeal of NP 14 and NP 21 are collectively referred to as the **Policy Amendments**. The Instrument, the Companion Policy, the Instrument Amendments and the Policy Amendments are collectively referred to as the **Materials**.

Members of the CSA in the following jurisdictions have made, or expect to make, the Instrument and the Instrument Amendments as

- rules in each of British Columbia, Alberta, Manitoba, Ontario, Nova Scotia, Prince Edward Island, New Brunswick and Newfoundland and Labrador,
- commission regulations in Saskatchewan,
- regulations in Québec, and
- policies in the Northwest Territories, Yukon and Nunavut.

In British Columbia and Ontario, the implementation of the Instrument and the Instrument Amendments is subject to ministerial approval.

In Ontario, the Instrument and the Instrument Amendments required to be delivered to the Minister of Finance were delivered on **December 20, 2007**.

In Québec, the Instrument and the Instrument Amendments are regulations made under section 331.1 of *The Securities Act* (Québec) and must be approved, with or without amendment, by the Minister of Finance. The Instrument and the Instrument Amendments will come into force on the date of its publication in the *Gazette Officielle du Québec* or on any later date specified in the regulation.

Provided all necessary ministerial approvals are obtained, the Instrument and Instrument Amendments will come into force on **March 17, 2008**.

The Companion Policy and the Policy Amendments have been, or are expected to be, adopted in all jurisdictions. The Companion Policy and the Policy Amendments have an effective date of **March 17, 2008**.

We are also withdrawing the following notices, effective **March 17, 2008**:

- CSA Staff Notice 42-303 *Prospectus Requirements*;
- CSA Staff Notice 44-301 *Frequently Asked Questions Regarding the New Prospectus Rules*;
- Canadian Securities Administrators' Notice 3 *Pre-Marketing Activities in the Context of Bought Deals*.

Each jurisdiction may also be adopting a local implementing rule and local amendments. Please refer to Appendix L in each jurisdiction for additional information.

Substance and purpose

The purpose of the Instrument is to create a comprehensive, seamless and transparent set of national prospectus requirements for all issuers including investment funds, other than mutual funds filing a prospectus under NI 81-101.

The Instrument is based on three general principles:

- The Instrument will harmonize across Canada and consolidate the general prospectus requirements among Canadian jurisdictions. It is primarily based on the requirements set out in Ontario Securities Commission Rule 41-501 *General Prospectus Requirements* and, in Québec, Regulation Q-28 *Respecting General Prospectus Requirements* (**Rule 41-501**).
- The Instrument will substantially harmonize the general prospectus requirements with the continuous disclosure and short form prospectus disclosure regimes.
- The Instrument takes into consideration changes in the principles underlying the general prospectus requirements that we have identified as a result of regulatory reviews, applications for exemptive relief, or public comment and consultation.

A number of other national instruments build on the foundation of the Instrument, or make reference to requirements in the Instrument. The purpose of the Instrument Amendments is to harmonize the requirements set out in these other national instruments with the requirements of the Instrument.

Summary of written comments

On **December 21, 2006**, we published the Materials for comment. The comment period ended on **March 31, 2007**. We received submissions from 56 commenters. We have considered the comments received and thank all the commenters. The names of all the commenters are contained in Schedule 1 of Appendix A of this notice and a summary of their comments, together with the CSA responses, are contained in Schedule 2 of Appendix A of this notice.

After considering the comments, we made some changes to the versions of the Materials that were published for comment in December 2006. We do not believe these changes are material and are not republishing the Materials for a further comment period. The notable changes are summarized in Schedule 3 of Appendix A of this notice.

Questions – Prospectus Systems Committee

Please refer your questions to any of:

Heidi Franken
Senior Accountant, Corporate Finance
Co-Chair, Prospectus Systems Committee
Ontario Securities Commission
(416) 593-8249
hfranken@osc.gov.on.ca

Jennifer Wong
Senior Securities Analyst, Corporate Finance
Co-Chair, Prospectus Systems Committee
Alberta Securities Commission
(403) 297-3617
jennifer.wong@seccom.ab.ca

Committee Members – Corporate Finance

Allan Lim
Manager, Corporate Finance
British Columbia Securities Commission
(604) 899-6780
alim@bcsc.bc.ca

Larissa M. Streu
Senior Legal Counsel, Corporate Finance
British Columbia Securities Commission
(604) 899-6888
lstreu@bcsc.bc.ca

Charlotte Howdle
Senior Securities Analyst, Corporate Finance
Alberta Securities Commission
(403) 297-2990
charlotte.howdle@seccom.ab.ca

Michael Wright
Legal Counsel
Alberta Securities Commission
(403) 297-4965
michael.wright@seccom.ab.ca

Ian McIntosh
Deputy Director, Corporate Finance
Saskatchewan Financial Services Commission
(306) 787-5867
imcintosh@sfsc.gov.sk.ca

Bob Bouchard
Director, Corporate Finance and Chief Administration Officer
Manitoba Securities Commission
(204) 945-2555
Bob.Bouchard@gov.mb.ca

Matthew Au
Senior Accountant, Corporate Finance
Ontario Securities Commission
(416) 593-8132
mau@osc.gov.on.ca

David Surat
Senior Legal Counsel, Corporate Finance
Ontario Securities Commission
(416) 593-8103
dsurat@osc.gov.on.ca

Michael Tang
Legal Counsel, Corporate Finance
Ontario Securities Commission
(416) 593-2330
mtang@osc.gov.on.ca

Rosetta Gagliardi
Conseillère en réglementation
Autorité des marchés financiers
(514) 395-0337 ext. 4462
rosetta.gagliardi@lautorite.qc.ca

Pierre Thibodeau
Senior Securities Analyst
New Brunswick Securities Commission
(506) 643-7751
pierre.thibodeau@nbsc-cvmnb.ca

Bill Slattery
Deputy Director, Corporate Finance and Administration
Nova Scotia Securities Commission
(902) 424-7355
slattejw@gov.ns.ca

Committee Members – Investment Funds

Christopher Birchall
Senior Securities Analyst
British Columbia Securities Commission
604-899-6722
cbirchall@bcsc.bc.ca

Ian Kerr
Senior Legal Counsel, Corporate Finance
Alberta Securities Commission
(403) 297-4225
ian.kerr@seccom.ab.ca

Bob Bouchard
Director, Corporate Finance and Chief Administration Officer
Manitoba Securities Commission
(204) 945-2555
Bob.Bouchard@gov.mb.ca

Viraf Nania
Senior Accountant, Investment Funds
Ontario Securities Commission
(416) 593-8267
vnanian@osc.gov.on.ca

Pei-Ching Huang
Legal Counsel, Investment Funds
Ontario Securities Commission
(416) 593-8264
phuang@osc.gov.on.ca

Pierre Martin
Senior Legal Counsel
Autorité des marchés financiers
(514) 395-0337, ext. 2545
pierre.martin@lautorite.qc.ca