

Schedule 1

Amendments to *Securities Rules*

1 The Securities Rules, B.C. Reg. 194/97, are amended

(a) in section 1(2) by:

- (i) in the definition of “auditor”, striking out “referred to in section 3(4)”***,
- (ii) in the definition of “auditor’s report”, striking out “if the issuer complies with section 2(1)”***,
- (iii) in the definition of “generally accepted accounting principles”, striking out “if the issuer complies with section 2(1)”***,
- (iv) in the definition of “generally accepted auditing standards”, striking out “if the issuer complies with section 2(1)”***,

(b) by repealing section 2,

(c) by repealing sections 3(1), 3(2), 3(3) and 3(4),

(d) by repealing section 3(5) and substituting the following:

- (5) For purposes of section 3.3 of NI 52-107, a person is authorized to sign an auditor’s report in British Columbia only if the person is independent of the person that is required to file the financial statements and***
 - (a) the person is a member, or is a partnership whose partners are members, of, and is authorized to carry on the practice of public accounting by, a Provincial or Territorial Institute/Ordre of Chartered Accountants within Canada,***
 - (b) the person is a member, or is a partnership whose partners are members, of, and is authorized to carry on the practice of public accounting by, the Certified General Accountants Association of British Columbia,***
 - (c) the person is certified as an auditor by the Auditor Certification Board established under section 221 of the Business Corporations Act, or***
 - (d) the person***

- (i) has qualifications as an auditor that the executive director considers are similar to the qualifications for membership in the Institute of Chartered Accountants of British Columbia or the Certified General Accountants Association of British Columbia, and
- (ii) is authorized, by the appropriate authority in the jurisdiction in which the auditor is qualified, to carry on the practice of public accounting, and to report on the financial statements of issuers and registrants.,

(e) by repealing sections 3(6), 3(7) and 3(8).