



BC Notice 2019/02

**Amendments to
BC Instrument 13-502 *Electronic filing of reports of exempt distribution* related to
filing annual reports of exempt distribution in eServices**

The British Columbia Securities Commission (BCSC or we) has received all required approvals to adopt amendments to British Columbia Instrument 13-502 *Electronic filing of reports of exempt distribution* (BCI 13-502) and changes to Companion Policy 13-502CP *Electronic filing of reports of exempt distribution* (13-502CP) to require all reports of exempt distribution to be filed in the BCSC eServices system, including reports filed on an annual basis by investment funds (collectively, the amendments). These amendments come into force on **September 30, 2019**.

Background

Currently, BCI 13-502 applies only to reports required to be filed on or before the 10th day after the distribution of a security under the *Securities Act* (British Columbia) (Act), the regulations under the Act, or an order made by the BCSC or the Executive Director of the BCSC. BCI 13-502 requires these reports, and related offering memoranda, technical reports and consents, to be filed electronically using eServices.

Under section 6.2(2) of National Instrument 45-106 *Prospectus Exemptions*, investment funds relying on certain prospectus exemptions are allowed to file exempt distribution reports on an annual basis, instead of within 10 days after the distribution. BCI 13-502 does not apply to reports filed on an annual basis; these annual reports are not required to be filed in eServices and may be filed with us in paper format.

Substance and Purpose

We are amending BCI 13-502 to require all reports to be filed in eServices, including annual reports filed by investment funds, in order to enhance our review of the exempt distribution market.

We will continue to permit investment funds filing annual reports to pay the required filing fee by cheque.

Summary of Written Comments and Changes

We published the amendments for comment on September 20, 2018. During the comment period that expired on November 20, 2018, we received no comments. We have made no changes to the amendments from the version that we published for comment.

Content of Annexes

This notice contains the following annexes:

Annex A – Amendments to BC Instrument 13-502 *Electronic filing of reports of exempt distribution*

Annex B – Changes to Companion Policy 13-502CP *Electronic filing of reports of exempt distribution*

Questions

Please refer your questions to either of the following:

Victoria Steeves
Senior Legal Counsel, Corporate Finance
British Columbia Securities Commission
604-899-6791
vsteeves@bcsc.bc.ca

Jody-Ann Edman
Manager, Financial Reporting
British Columbia Securities Commission
604-899-6698
jedman@bcsc.bc.ca

September 19, 2019

Brenda M. Leong
Chair