

Blanket Order No. 45-524 (Amendment)

IN THE MATTER OF  
THE *SECURITIES ACT*, R.S.N.S. 1989,  
CHAPTER 418, AS AMENDED (the Act)

- AND -

IN THE MATTER OF START-UP CROWDFUNDING REGISTRATION AND  
PROSPECTUS EXEMPTIONS

ORDER  
(Sections 151 and 151A of the Act)

WHEREAS:

- A. Section 31 of the Act requires a person or company to register when trading securities.
- B. Section 58 of the Act requires a person or company to file a prospectus and to receive a receipt for that prospectus prior to distributing a security.
- C. In Blanket Order No. 45-524 *In The Matter Of Start-Up Crowdfunding Registration And Prospectus Exemptions* (BO 45-524), the Nova Scotia Securities Commission (the Commission) granted exemptions from the registration and prospectus requirements of sections 31 and 58 of the Act subject to the conditions contained therein being satisfied to allow start-up crowdfunding distributions.
- D. On November 5, 2015, the Commission approved Rule 45-108 *Crowdfunding* (the Rule) and declared in the Rule that it shall take effect on January 25, 2016, unless the Minister disapproves the Rule or returns it to the Commission in accordance with subsection 150A(3) of the Act in which event the Rule shall not be effective until it is approved by the Minister.
- E. The Rule adopts as a rule Multilateral Instrument 45-108 *Crowdfunding* (MI 45-108).
- F. The categories of registered dealers permitted under MI 45-108 to operate as funding portals are an investment dealer, an exempt market dealer and a restricted dealer.
- G. To be consistent with MI 45-108, the prospectus exemption under BO 45-524 is available where the distribution is facilitated through a funding portal that is relying on the exemption from the dealer registration requirement in BO 45-524 or is operated by a registered dealer that is an investment dealer, an exempt market dealer or a restricted dealer, as applicable under Canadian securities laws.
- H. The Commission is of the opinion that to do so would not be prejudicial to the public interest.

IT IS ORDERED pursuant to Section 151 of the Act that BO 45-524 is revoked and replaced with the following:

IT IS ORDERED, pursuant to subsection 151A(1) of the Act, that:

**Interpretation**

1. Terms defined in the Act or National Instrument 14-101 *Definitions* have the same meaning in this order.

2. In this Order:

“closing of the distribution” means, at the discretion of the issuer, any time after the minimum offering amount is reached;

“corresponding start-up crowdfunding order” means an order issued or a rule adopted by another securities regulatory authority or regulator, the terms of which are substantially similar to this order;

“eligible security” means:

- (a) a common share,
- (b) a non-convertible preference share,
- (c) a security convertible into a security referred to in (a) or (b),
- (d) a non-convertible debt security linked to a fixed or floating interest rate, and
- (e) a unit of a limited partnership;

“funding portal” means a person or company that facilitates or proposes to facilitate online start-up crowdfunding distributions;

“issuer group” means

- (a) the issuer,
- (b) an affiliate of the issuer, and
- (c) any other issuer
  - (i) that is engaged in a common enterprise with the issuer or with an affiliate of the issuer, or
  - (ii) whose business is founded or organized, directly or indirectly, by the same person or company who founded or organized the issuer;

“minimum offering amount” means the minimum amount disclosed in the offering document;

“offering document” means a completed Form 1 – *Start-up Crowdfunding – Offering Document*, including any amendment to the offering document;

“participating jurisdictions” means British Columbia, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia and any other jurisdiction whose securities regulatory authority or regulator has adopted a corresponding start-up crowdfunding order;

“principal” means a promoter, director, officer or control person;

“risk warning” means the risk warning document set out in Form 2 – *Start-up Crowdfunding – Risk Acknowledgement*; and

“start-up crowdfunding distribution” means a distribution through a funding portal of an eligible security that is exempt from the prospectus requirement under this order or a corresponding start-up crowdfunding order.

### **Exemption from dealer registration requirement for funding portals**

3. The dealer registration requirement under section 31 of the Act does not apply to a trade by a funding portal in connection with a start-up crowdfunding distribution if the funding portal:
  - (a) does not facilitate its first start-up crowdfunding distribution until the Director confirms in writing receipt of the following:
    - (i) a completed Form 3 – *Start-up Crowdfunding – Funding Portal Information Form*,
    - (ii) a completed Form 4 – *Start-up Crowdfunding – Funding Portal – Individual Information Form* for each principal of the funding portal, and
    - (iii) such other completed documents and any additional information as may be requested by the Director;
  - (b) delivers to the Director any amendments to the documents referred to in subsection 3(a) as soon as practicable;
  - (c) has not been notified by the Director that the business of the funding portal is prejudicial to the public interest because the principals or their past conduct demonstrate a lack of:
    - (i) integrity,
    - (ii) financial responsibility, or
    - (iii) relevant knowledge or expertise;
  - (d) has its head office located in a jurisdiction of Canada;
  - (e) has a majority of its directors resident in Canada;

- (f) maintains books and records at its head office to accurately record its financial affairs and client transactions, and to demonstrate the extent of the funding portal's compliance with this order for a period of eight years from the date a record is created;
- (g) is not registered under Canadian securities legislation;
- (h) does not provide advice to a purchaser or otherwise recommend or represent:
  - (i) that an eligible security is suitable, or
  - (ii) any information about the merits of the investment;
- (i) prior to allowing any person or company entry to its website, requires the person or company to acknowledge that they are entering a website of a funding portal:
  - (i) that it is not operated by a registered dealer under Canadian securities legislation, and
  - (ii) that does not provide advice about the suitability of any security or about the merits of any investment;
- (j) discloses on its website,
  - (i) for each principal of the funding portal, their full legal name, municipality and jurisdiction of residence, business mailing and email address, and business telephone number, and
  - (ii) that the funding portal is relying on the exemption in this Order from the dealer registration requirement;
- (k) does not receive a commission, fee or other amount from a purchaser of an eligible security;
- (l) holds a purchaser's assets:
  - (i) separate and apart from the funding portal's own property,
  - (ii) in trust for the purchaser, and
  - (iii) in the case of cash, in a designated trust account at a Canadian financial institution;
- (m) receives payment for an eligible security electronically through the funding portal's website;
- (n) takes reasonable measures to ensure that an issuer and a purchaser are residents of a participating jurisdiction where the offering document is made available;
- (o) makes available to a purchaser through the funding portal's website the offering document and the risk warnings;

- (p) does not allow a purchaser to subscribe for an eligible security until the purchaser confirms that the purchaser has read and understood the offering document and the risk warnings;
- (q) notifies a purchaser of any amendment to the offering document and the right of the purchaser to withdraw their subscription after receiving notification of the amendment;
- (r) returns all funds to a purchaser within five business days of receiving a withdrawal notification from that purchaser; and
- (s) completes one the following:
  - (i) if the minimum offering amount has not been raised by the 90<sup>th</sup> day after the offering document is first made available on the funding portal's website or the start-up crowdfunding distribution is withdrawn, no later than five business days following such occurrence:
    - (A) returns, or causes to return, all funds to each purchaser, and
    - (B) notifies the issuer and each purchaser that funds have been returned,
  - (ii) if each 48 hour period in subsection 4(j) has elapsed,
    - (A) releases, or causes to release, all funds due to the issuer at the closing of the distribution, and
    - (B) no later than fifteen days after the closing of the distribution:
      - (a) notifies each purchaser that the funds have been released to the issuer, and
      - (b) provides the issuer with all information required to comply with the issuer's obligations in subsection 5(b).

#### **Exemption from prospectus requirements for issuers**

4. The prospectus requirement under section 58 of the Act does not apply to a distribution by an issuer provided the following conditions are met:
  - (a) the distribution is of its own eligible security;
  - (b) the distribution and payment for the eligible security is facilitated through a funding portal that is:
    - (i) relying on the exemption in section 3 of this order, or
    - (ii) operated by a registered dealer, provided the issuer has obtained written confirmation from the registered dealer that:

- (A) it has filed either a completed Form 33-109F5 *Change of Registration Information*, or Form 33-109F6 *Firm Registration* that describes its business as including operating a funding portal under this order;
- (B) it meets or will meet the conditions set out in subsections 3(m) to 3(s); and
- (C) prior to allowing any person or company entry to its website, requires the person or company to acknowledge that they are entering a website of a funding portal:
  - (a) that is operated by an investment dealer, an exempt market dealer or a restricted dealer, as applicable under Canadian securities legislation,
  - (b) that will provide advice about the suitability of the eligible security if it is required to do so under securities legislation,
  - (c) that will not provide advice about the suitability of the eligible security if subparagraph (b) does not apply;
- (c) the issuer is not a reporting issuer or an investment fund in any jurisdiction of Canada or foreign jurisdiction;
- (d) the head office of the issuer is located in a participating jurisdiction;
- (e) the aggregate funds raised in any start-up crowdfunding distribution by any person or company in the issuer group does not exceed \$250,000;
- (f) the issuer group is restricted to no more than two start-up crowdfunding distributions in a calendar year;
- (g) the distribution occurs no later than the 90<sup>th</sup> day after the first date the offering document is made available on the funding portal's website;
- (h) the issuer uses an offering document to conduct the distribution and provides the offering document to the funding portal for the purpose of making it available to a purchaser through the funding portal's website;
- (i) the issuer amends the offering document in the event the offering document is no longer true and provides it to the funding portal as soon as practicable for the purpose of making it available to a purchaser through the funding portal's website;
- (j) the issuer provides a purchaser with a contractual right to withdraw an offer to purchase an eligible security that may be exercised by the purchaser delivering a notice to the funding portal within 48 hours of (i) the purchaser's subscription, or (ii) the funding portal notifying the purchaser that the offering document has been amended;
- (k) the offering document discloses how the issuer intends to use the funds raised and the minimum offering amount to close the distribution;

- (l) the issuer raises the minimum offering amount described in the offering document, which may be reduced by the amount of any concurrent distribution made under a prospectus exemption other than the prospectus exemption set out in this order and a corresponding start-up crowdfunding order, provided that the funds from the concurrent distribution are unconditionally available to the issuer;
  - (m) no concurrent start-up crowdfunding distribution is made by any person or company in the issuer group for the purpose described in the offering document;
  - (n) no commission, fee or other amounts are paid to the issuer group or any of their principals, employees or agents with respect to the distribution;
  - (o) a principal of the issuer group is not a principal of the funding portal;
  - (p) no person or company invests more than \$1,500; and
  - (q) within 30 days after the closing of the distribution, the issuer delivers or causes to be delivered to each purchaser a confirmation setting out the following:
    - (i) the date of subscription and the closing of the distribution;
    - (ii) the quantity and description of the eligible security purchased;
    - (iii) the price per eligible security paid by the purchaser; and
    - (iv) the total commission, fee and any other amounts paid by the issuer to the funding portal in respect of the start-up crowdfunding distribution.
5. An issuer that distributes a security under this order must file no later than the 30<sup>th</sup> day after the closing of the distribution:
- (a) the offering document; and
  - (b) a report in Form 5 - *Start-up Crowdfunding – Report of Exempt Distribution*.

#### **Resale restrictions**

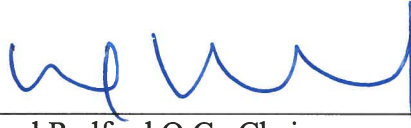
6. The first trade of a security acquired under this order or a corresponding start-up crowdfunding order is subject to section 2.5 of National Instrument 45-102 *Resale of Securities*.

**Effective Date**

7. This order comes into effect on May 14, 2015 and expires on May 13, 2020.
8. Despite section 7, subsection 3(j)(ii) comes into effect on August 1, 2016.
9. An issuer that makes an offering document available to a purchaser through a funding portal's website before June 30, 2016 may file an offering document in accordance with the securities legislation in effect on the first date the offering document was made available on the funding portal's website.

Dated at Halifax, Nova Scotia, this 14<sup>th</sup> day of May, 2015, as amended January 25, 2016, and further amended June 30, 2016.

NOVA SCOTIA SECURITIES COMMISSION

A handwritten signature in blue ink, appearing to read 'Paul Radford', written over a horizontal line.

Paul Radford Q.C., Chair

A handwritten signature in blue ink, appearing to read 'Shirley P. Lee', written over a horizontal line.

Shirley P. Lee Q.C., Commissioner



# Start-up Crowdfunding Registration and Prospectus Exemptions

## Form 1 - Start-up Crowdfunding – Offering Document

### GENERAL INSTRUCTIONS:

#### (1) *Filing Instructions*

*An issuer relying on the start-up crowdfunding prospectus exemption is required to file the offering document no later than the 30th day after the closing of the distribution as follows:*

- ***In all participating jurisdictions (except British Columbia)*** – file this form through the System for Electronic Document Analysis and Retrieval (SEDAR) in accordance with National Instrument 13-101 System for Electronic Document Analysis and Retrieval (SEDAR).
- ***In British Columbia*** – through BCSC eServices at <http://www.bcsc.bc.ca>.

*This offering document and all amendments must be filed where the issuer has made a start-up crowdfunding distribution, as well as in the participating jurisdiction where the issuer's head office is located.*

- (2) *This offering document must be completed and certified by an authorized individual on behalf of the issuer.*
- (3) *Draft this offering document so that it is easy to read and understand. Be concise and use clear, plain language. Avoid technical terms.*
- (4) *Conform as closely as possible to the format set out in this form. Address the items in the order set out below. No variation of headings, numbering or information set out in the form is allowed and all are to be displayed as shown.*
- (5) *This offering document is to be provided to your funding portal which has to make it available on its website. If the information contained in this offering document no longer applies or is no longer true, you must immediately amend the document and send the new version to the funding portal.*
- (6) *For information on how to complete this form and for information relating to the filing of this form, please refer to the Start-up Crowdfunding Guide for Businesses available on the website of the securities regulatory authority or regulator of the participating jurisdictions.*

### Item 1: RISKS OF INVESTING

- 1.1 Include the following statement, in bold type:

**“No securities regulatory authority or regulator has assessed reviewed or approved the merits of these securities or reviewed this offering document. Any representation to the contrary is an offence. This is a risky investment.”**

## Item 2: THE ISSUER

2.1 Provide the following information for the issuer:

- (a) Full legal name as it appears in the issuer's organizing documents,
- (b) Head office address,
- (c) Telephone,
- (d) Fax, and
- (e) Website URL.

2.2 Provide the following information for a contact person of the issuer who is able to answer questions from purchasers and security regulatory authority or regulator:

- (a) Full legal name (first name, middle name and last name),
- (b) Position held with the issuer,
- (c) Business address,
- (d) Business telephone,
- (e) Fax, and
- (f) Business e-mail.

## Item 3: BUSINESS OVERVIEW

3.1 Briefly explain, in a few lines, the issuer's business and why the issuer is raising funds.

Include the following statement, in bold type:

**"A more detailed description of the issuer's business is provided below."**

## Item 4: MANAGEMENT

4.1 Provide the information in the following table for each promoter, director, officer and control person of the issuer:

Full legal name municipality of residence and position at issuer	Principal occupation for the last five years	Expertise, education, and experience that is relevant to the issuer's business	Number and type of securities of the issuer owned	Date securities were acquired and price paid for the securities	Percentage of the issuer's securities held as of the date of this offering document

4.2 State whether each person listed in item 4.1 or the issuer, as the case may be:

- (a) has ever, pled guilty to or been found guilty of:
  - (i) a summary conviction or indictable offence under the *Criminal Code* (R.S.C., 1985, c. C-46) of Canada,
  - (ii) a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction,
  - (iii) a misdemeanour or felony under the criminal legislation of the United States of America, or any state or territory therein, or
  - (iv) an offence under the criminal legislation of any other foreign jurisdiction,
- (b) is or has been the subject of an order (cease trade or otherwise), judgment, decree, sanction, or administrative penalty imposed by a government agency, administrative agency, self-regulatory organization, civil court, or administrative court of Canada or a foreign jurisdiction in the last ten years related to his or her involvement in any type of business, securities, insurance or banking activity,
- (c) is or has been the subject of a bankruptcy or insolvency proceeding,
- (d) is a director or executive officer of an issuer that is or has been subject to a proceeding described in paragraphs (a), (b) or (c) above.

#### **Item 5: START-UP CROWDFUNDING DISTRIBUTION**

- 5.1 Provide the name of the funding portal the issuer is using to conduct its start-up crowdfunding distribution.
- 5.2 List the name of all the participating jurisdictions (Canadian province or territory) where the issuer intends to raise funds and make this offering document available.
- 5.3 Provide the following information with respect to the start-up crowdfunding distribution:
  - (a) the date before which the issuer must have raised the minimum offering amount for the closing of the distribution (no later than 90 days after the date this offering document is made available on the funding portal), and
  - (b) the date(s) and description of any amendment(s) made to this offering document, if any.
- 5.4 Indicate the type of eligible securities offered.
- 5.5 The eligible securities offered provide the following rights (choose all that apply):
  - ☐ Voting rights,
  - ☐ Dividends or interests (describe any right to receive dividends or interest),
  - ☐ Rights on dissolution,
  - ☐ Conversion rights (describe what each security is convertible into),

☐ Other (describe the rights).

5.6 Provide a brief summary of any other material restrictions or conditions that attach to the eligible securities being offered, such as tag-along, drag along or pre-emptive rights.

5.7 In a table, provide the following information:

	Total amount (\$)	Total number of eligible securities issuable
Minimum offering amount		
Maximum offering amount		
Price per eligible security		

5.8 Indicate the minimum investment amount per purchaser, if any.

5.9 Include the following statement, in bold type:

**“Note: The minimum offering amount stated in this offering document may be satisfied with funds that are unconditionally available to [insert name of issuer] that are raised by concurrent distributions using other prospectus exemptions without having to amend this offering document.”**

## Item 6: ISSUER’S BUSINESS

6.1 Describe the issuer’s business. Provide details about the issuer’s industry and operations.

6.2 Describe the legal structure of the issuer and indicate the jurisdiction where the issuer is incorporated or organized.

6.3 Indicate where the issuer’s articles of incorporation, limited partnership agreement, shareholder agreement or similar document are available to purchasers.

6.4 Indicate which statement(s) best describe the issuer’s operations (select all that apply):

- ☐ Has never conducted operations,
- ☐ Is in the development stage,
- ☐ Is currently conducting operations,
- ☐ Has shown profit in the last financial year.

6.5 Indicate whether the issuer has financial statements available. If yes, include the following statement, in bold type:

**“Information for purchasers: If you receive financial statements from an issuer conducting a start-up crowdfunding distribution, you should know that those financial statements have not been provided to or reviewed by a securities regulatory authority or regulator. They are not part of this offering document. You should ask the issuer**

**which accounting standards were used to prepare the financial statements and whether the financial statements have been audited. You should also consider seeking advice of an accountant or an independent financial adviser about the information in the financial statements.”**

- 6.6 Describe the number and type of securities of the issuer outstanding as at the date of the offering document. If there are securities outstanding other than the eligible securities being offered, describe those securities.

## **Item 7: USE OF FUNDS**

- 7.1 Provide information on all funds previously raised and how they were used by the issuer.
- 7.2 Using the following table, provide a detailed breakdown of how the issuer will use the funds from this start-up crowdfunding distribution. If any of the funds will be paid directly or indirectly to a promoter, director, officer or control person of the issuer, disclose in a note to the table the name of the person, the relationship to the issuer and the amount. If more than 10% of the available funds will be used by the issuer to pay debt and the issuer incurred the debt within the two preceding financial years, describe why the debt was incurred.

Description of intended use of funds listed in order or priority	Total amount (\$)	
	Assuming minimum offering amount	Assuming maximum offering amount

## **Item 8: PREVIOUS START-UP CROWDFUNDING DISTRIBUTIONS**

- 8.1 For each start-up crowdfunding distribution in which the issuer and each promoter, director, officer and control person of the issuer have been involved in any of the participating jurisdictions in the past five years, provide the information below:
- (a) the full legal name of the issuer that made the distribution,
  - (b) the name of the funding portal, and
  - (c) whether the distribution successfully closed, was withdrawn by the issuer or did not close because the minimum offering amount was not reached and the date on which any of these occurred.

## **Item 9: COMPENSATION PAID TO FUNDING PORTAL**

- 9.1 Describe the commission, fee and any other amounts expected to be paid by the issuer to the funding portal for this start-up crowdfunding distribution.

## **Item 10: RISK FACTORS**

- 10.1 Describe in order of importance, starting with the most important, the main risks of investing in the issuer's business for the purchasers.

## **Item 11: REPORTING OBLIGATIONS**

- 11.1 Describe the nature and frequency of any disclosure of information the issuer intends to provide to purchasers after the closing of the distribution and explain how purchasers can access this information.

## **Item 12: RESALE RESTRICTIONS**

- 12.1 Include the following statement, in bold type:

**"The securities you are purchasing are subject to a resale restriction. You may never be able to resell the securities."**

## **Item 13: PURCHASERS' RIGHTS**

- 13.1 Include the following statement, in bold type:

**"If you purchase these securities, your rights may be limited and you will not have the same rights that are attached to a prospectus under applicable securities legislation. For information about your rights you should consult a lawyer."**

**You can cancel your agreement to purchase these securities. To do so, you must send a notice to the funding portal within 48 hours of your subscription. If there is an amendment to this offering document, you can cancel your agreement to purchase these securities by sending a notice to the funding portal within 48 hours of receiving notice of the amendment.**

**The offering of securities described in this offering document is made pursuant to a start-up crowdfunding registration and prospectus exemptions order issued by the securities regulatory authority or regulator in each participating jurisdiction exempting the issuer from the prospectus requirement.**

**[If the funding portal is not operated by a registered dealer in any of the participating jurisdictions where you intend to raise funds, add the phrase "and the funding portal from the registration requirement" after the words "prospectus requirement" in the above paragraph]."**

**Item 14: DATE AND CERTIFICATE**

14.1 Include the following statement, in bold type:

**“On behalf of the issuer, I certify that the statements made in this offering document are true.”**

14.2 Provide the signature, date of the signature, name and position of the authorized individual certifying this offering document.

14.3 If this offering document is signed electronically, include the following statement, in bold type:

**“I acknowledge that I am signing this offering document electronically and agree that this is the legal equivalent of my handwritten signature. I will not at any time in the future claim that my electronic signature is not legally binding.”**

## **Questions:**

Refer any questions to the following participating jurisdictions:

### **British Columbia**

British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, British Columbia V7Y 1L2  
Telephone: 604-899-6854  
Toll free in Canada: 1-800-373-6393  
Facsimile: 604-899-6581  
E-mail: [inquiries@bcsc.bc.ca](mailto:inquiries@bcsc.bc.ca)  
[www.bcsc.bc.ca](http://www.bcsc.bc.ca)

### **Saskatchewan**

Financial and Consumer Affairs Authority of Saskatchewan  
Securities Division  
Suite 601 – 1919 Saskatchewan Drive  
Regina, Saskatchewan S4P 4H2  
Telephone: 306-787-5645  
Fax: 306-787-5842  
E-mail: [exemptions@gov.sk.ca](mailto:exemptions@gov.sk.ca)  
[www.fcaa.gov.sk.ca](http://www.fcaa.gov.sk.ca)

### **Manitoba**

The Manitoba Securities Commission  
500 – 400 St Mary Avenue  
Winnipeg, Manitoba R3C 4K5  
Telephone: 204-945-2548  
Toll free in Manitoba: 1-800-655-2548  
Fax: 204-945-0330  
Email: [exemptions.msc@gov.mb.ca](mailto:exemptions.msc@gov.mb.ca)  
[www.msc.gov.mb.ca](http://www.msc.gov.mb.ca)

### **Québec**

Autorité des marchés financiers  
Direction du financement des sociétés  
800, rue du Square-Victoria, 22nd floor  
P.O. Box 246, Tour de la Bourse  
Montréal, Québec H4Z 1G3  
Telephone: 514-395-0337  
Toll free in Québec: 1-877-525-0337  
Fax: 514-873-3090  
E-mail: [financement-participatif@lautorite.qc.ca](mailto:financement-participatif@lautorite.qc.ca)  
[www.lautorite.qc.ca](http://www.lautorite.qc.ca)

### **New Brunswick**

Financial and Consumer Services Commission  
85 Charlotte Street, Suite 300  
Saint John, New Brunswick E2L 2J2  
Toll free: 1-866-933-2222  
Fax: 506-658-3059  
E-mail: [emf-md@fcnb.ca](mailto:emf-md@fcnb.ca)  
[www.fcnb.ca](http://www.fcnb.ca)



## Nova Scotia

Nova Scotia Securities Commission  
Suite 400, 5251 Duke Street  
Halifax, Nova Scotia B3J 1P3  
Telephone: 902-424-7768  
Toll free in Nova Scotia: 1-855-424-2499  
Fax: 902-424-4625  
E-mail: [nssc.crowdfunding@novascotia.ca](mailto:nssc.crowdfunding@novascotia.ca)  
[www.nssc.gov.ns.ca](http://www.nssc.gov.ns.ca)

# Start-up Crowdfunding Registration and Prospectus Exemptions

## Form 2 - Start-up Crowdfunding – Risk Acknowledgement

Issuer Name:

Type of Eligible Security Offered:

### WARNING!

BUYER BEWARE: This investment is risky.  
Don't invest unless you can afford to lose all the money you pay for this investment.

	Yes	No
<b>1. Risk acknowledgment</b>		
<b>Risk of loss</b> – Do you understand that this is a risky investment and that you may lose all the money you pay for this investment?	<input type="checkbox"/>	<input type="checkbox"/>
<b>No income</b> – Do you understand that you may not earn any income, such as dividends or interest, on this investment?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Liquidity risk</b> – Do you understand that you may never be able to sell this investment?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Lack of information</b> – Do you understand that you may not be provided with any ongoing information about the issuer and/or this investment?	<input type="checkbox"/>	<input type="checkbox"/>
<b>2. No approval and no advice</b> <i>[Instructions: Delete “no advice” if the funding portal is operated by a registered dealer.]</i>		
<b>No approval</b> – Do you understand that this investment has not been reviewed or approved in any way by a securities regulator?	<input type="checkbox"/>	<input type="checkbox"/>
<b>No advice</b> – Do you understand that you will not receive advice about your investment? <i>[Instructions: Delete if the funding portal is operated by a registered dealer.]</i>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3. Limited legal rights</b>		
<b>Limited legal rights</b> – Do you understand that you will not have the same rights as if you purchased under a prospectus or through a stock exchange? If you want to know more, you may need to seek professional legal advice.	<input type="checkbox"/>	<input type="checkbox"/>

	Yes	No
<b>4. Purchaser's acknowledgement</b>		
<b>Investment risks</b> – Have you read this form and do you understand the risks of making this investment?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Offering document</b> – Before you invest, you should read the offering document carefully. The offering document contains important information about this investment. If you have not read the offering document or if you do not understand the information in it, you should not invest.  Have you read and do you understand the information in the offering document?	<input type="checkbox"/>	<input type="checkbox"/>
<b>First and last name:</b>		
<b>Electronic signature:</b> By clicking the [I confirm] button, I acknowledge that I am signing this form electronically and agree that this is the legal equivalent of my handwritten signature. I will not at any time in the future claim that my electronic signature is not legally binding. The date of my electronic signature is the same as my acknowledgement.		
<b>5. Additional information</b>		
<ul style="list-style-type: none"> <li>▪ <b>You have 48 hours to cancel your purchase by sending a notice to the funding portal at:</b>  <i>[Instructions: Provide email address or fax number where purchasers can send their notice. Describe any other manner for purchasers to cancel their purchase.]</i> </li> <li>▪ <b>If you want more information about your local securities regulation, go to <a href="http://www.securities-administrators.ca">www.securities-administrators.ca</a>. Securities regulators do not provide advice on investment.</b></li> <li>▪ <b>To check if the funding portal is operated by a registered dealer, go to <a href="http://www.aretheyregistered.ca">www.aretheyregistered.ca</a></b> <i>[Instructions: Delete if the funding portal is not operated by a registered dealer.]</i></li> </ul>		

# **Start-up Crowdfunding Registration and Prospectus Exemptions**

## **Form 3 – Start-up Crowdfunding – Funding Portal Information**

### **GENERAL INSTRUCTIONS:**

- (1) This form must be typed, printed, signed and delivered via e-mail with any attachments and all corresponding Start-up Crowdfunding - Funding Portal - Individual Information Forms to the securities regulatory authority or regulator of each of the participating jurisdictions where the funding portal facilitates or intends to facilitate a start-up crowdfunding distribution at the e-mail address(es) provided on the last page of this form.*
- (2) This form must be completed and certified by an authorized individual on behalf of the funding portal.*
- (3) Question 7 and questions 9 to 16: Please check the appropriate space provided. If your answer to any of these questions is “Yes”, you must, in an attachment, provide complete details, including the circumstances, relevant dates, names of the parties involved and final disposition, if known. Responses must consider all time periods.*
- (4) An attachment in response to any question must be signed and dated by the authorized individual certifying this form.*
- (5) If a change occurs and the form and documents filed with the securities regulatory authority or regulator are no longer up to date, or the information they contain is no longer true, you must complete a new form setting out the change, and deliver it to the securities regulatory authority or regulator of each applicable participating jurisdiction as soon as practicable.*
- (6) For funding portal information, please refer to the Start-up Crowdfunding Guide for Funding Portals available on the website of the securities regulatory authority or regulator of the participating jurisdictions.*
- (7) The securities regulatory authority or regulator to which this form is delivered may request the funding portal to provide supporting documents. Please refer to Start-up Crowdfunding Guide for Funding Portals for examples of supporting documents.*

### **FUNDING PORTAL INFORMATION**

1. Provide the following information regarding the funding portal:

- (a) Full legal name of the funding portal as it appears on the funding portal’s organizing documents;
- (b) Name that the funding portal will be operating under;
- (c) Website URL;
- (d) Head office address<sup>1</sup>;

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<sup>1</sup> If the funding portal’s head office is not located in one of the participating jurisdictions, then, unless exemptive relief is obtained, the funding portal may be in violation of the dealer registration requirement in that jurisdiction. Please refer to *Start-up Crowdfunding Guide for Funding Portals* for more information.

- (e) Telephone;
- (f) Fax; and
- (g) E-mail address.

2. Provide the following information regarding the contact person for the funding portal:

- (a) Full legal name (first name, middle name and last name);
- (b) Business address;
- (c) Telephone;
- (d) Fax; and
- (e) E-mail address.

3. Provide the following information regarding each promoter, director, officer and control person of the funding portal. Use an attachment if necessary. Any attachment must be initialed by the authorized individual certifying this form.

- (a) Full legal name (first name, middle name and last name); and
- (b) Position(s) held.

4. Provide the name of each participating jurisdiction where the funding portal is delivering this form.

5. Provide the date the funding portal expects to begin to facilitate start-up crowdfunding distributions in the participating jurisdictions named in item 4 above.

6. If the funding portal is already relying on start-up crowdfunding registration and prospectus exemptions in any participating jurisdiction, provide the name(s) of the participating jurisdiction(s) and the date the Funding Portal Information Form was delivered to the securities regulatory authority or regulator.

7. Has the funding portal ever been notified by a securities regulatory authority or regulator that it cannot rely on the start-up crowdfunding registration and prospectus exemptions?

Yes ☐ No ☐

If yes, you must provide details.

8. Describe the legal structure of the funding portal and indicate the jurisdiction where the funding portal is incorporated or organized. Some participating jurisdictions may require additional documents. Please refer to the *Start-up Crowdfunding Guide for Funding Portals* for more information.

## CRIMINAL DISCLOSURE

9. Has the funding portal ever been found guilty, pleaded no contest to, or been granted an absolute or conditional discharge from:

- (a) a summary conviction or indictable offence under the *Criminal Code* (R.S.C., 1985, c. C-46) (Canada),
- (b) a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction,
- (c) a misdemeanour or felony under the criminal legislation of the United States of America, or any state or territory therein, or
- (d) an offence under the criminal legislation of any other foreign jurisdiction.

Yes ☐ No ☐

If yes, you must provide details.

10. Are there any outstanding or stayed charges against the funding portal alleging a criminal offence that was committed?

Yes ☐ No ☐

If yes, you must provide details.

## CIVIL DISCLOSURE

11. Has the funding portal ever been the subject of an order, judgment, decree, sanction, or administrative penalty in Canada or a foreign jurisdiction in the last ten years related to its involvement in any type of business, securities, insurance or banking activity?

Yes ☐ No ☐

If yes, you must provide details.

12. Are there currently any outstanding civil actions alleging fraud, theft, deceit, misrepresentation, or similar misconduct against the funding portal?

Yes ☐ No ☐

If yes, you must provide details.

13. Has the funding portal ever been a defendant or respondent in any civil proceeding in which fraud, theft, deceit, misrepresentation, or similar misconduct is, or was, successfully established in a judgement?

Yes ☐ No ☐

If yes, you must provide details.

## FINANCIAL DISCLOSURE

14. Has the funding portal ever had a petition in bankruptcy issued or made a voluntary assignment in bankruptcy or any similar proceeding?

Yes ☐ No ☐

If yes, you must provide details.

15. Has the funding portal made a proposal under any legislation relating to bankruptcy or insolvency or any similar proceeding?

Yes ☐ No ☐

If yes, you must provide details.

16. Has the funding portal ever been subject to, or initiated any proceedings, arrangement or compromise with creditors? This includes having a receiver, receiver-manager, administrator or trustee appointed by or at the request of creditors, privately, through court process or by order of a regulatory authority, to hold funding portal assets.

Yes ☐ No ☐

If yes, you must provide details.

17. Provide details on the process and procedure for handling all funds in relation to the start-up crowdfunding distribution in a designated trust account at a Canadian financial institution, including:

- (a) the name of the Canadian financial institution the funding portal will use;
- (b) the names of the signatories on this account and their role with the funding portal;
- (c) details of how the funds held in this account will be separate and apart from the funding portal's own property;
- (d) a copy of the trust agreement, or details surrounding the establishment of this account. If the funding portal does not have a trust agreement or an account, please explain;
- (e) details regarding how funds will flow:
  - i. from purchasers to the funding portal's account;
  - ii. from the funding portal's account to the issuer in the event that the start-up crowdfunding distribution closes; and
  - iii. from the funding portal's account back to the purchasers in the event that the start-up crowdfunding distribution does not close or the purchaser has exercised their right of withdrawal.

## FUNDING PORTAL WEBSITE

18. Provide access to the funding portal's website in a test environment when complete and ready for viewing.

## **COLLECTION AND USE OF INFORMATION**

The information required under this form is collected, used and disclosed by the securities regulatory authority or, where applicable, regulator of the participating jurisdictions under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

By submitting this form, the funding portal:

- acknowledges that the securities regulatory authority or regulator may collect personal information about the individuals referred to in this form or information about the funding portal,
- confirms that the individuals referred to in this form have been notified that their personal information is disclosed on this form, the legal reason for doing so, how it will be used and who to contact for more information, and
- consents to the posting on the website of the securities regulatory authority or regulator of:
  - i. the name that the funding portal will be operating under,
  - ii. the website address for the funding portal, and
  - iii. that the funding portal is relying on a dealer registration exemption.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or regulator in any participating jurisdiction in which this form is delivered. Contact information is listed at the end of this form.



## **CERTIFICATION**

By signing this form, the funding portal undertakes:

- to comply with all of the applicable conditions set out in the start-up crowdfunding registration and prospectus exemptions of each participating jurisdiction where this form is delivered, and
- to provide upon request to the securities regulatory authority or regulator of a participating jurisdiction access to the books and records maintained at its head office in accordance with the start-up crowdfunding registration and prospectus exemptions.

On behalf of the funding portal, I certify that the statements made in this form are true and complete.

Full legal name of  
funding portal:

\_\_\_\_\_

Signature of  
authorized individual:

\_\_\_\_\_

Date:

\_\_\_\_\_

Print name of  
authorized individual:

\_\_\_\_\_

Position held:

\_\_\_\_\_

Telephone:

\_\_\_\_\_

Email:

\_\_\_\_\_

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS FORM**

**Deliver by e-mail to the securities regulatory authority or regulator of each applicable participating jurisdiction:**

British Columbia	British Columbia Securities Commission P.O. Box 10142, Pacific Centre 701 West Georgia Street Vancouver, British Columbia V7Y 1L2 Telephone: 604-899-6854 Toll free across Canada: 1-800-373-6393 E-mail: <a href="mailto:portal@bcsc.bc.ca">portal@bcsc.bc.ca</a> <a href="http://www.bcsc.bc.ca">www.bcsc.bc.ca</a>
Saskatchewan	Financial and Consumer Affairs Authority of Saskatchewan Securities Division Suite 601 – 1919 Saskatchewan Drive Regina, Saskatchewan S4P 4H2 Telephone: 306-787-5645 E-mail: <a href="mailto:registrationfcaa@gov.sk.ca">registrationfcaa@gov.sk.ca</a> <a href="http://www.fcaa.gov.sk.ca">www.fcaa.gov.sk.ca</a>
Manitoba	The Manitoba Securities Commission 500 – 400 St Mary Avenue Winnipeg, Manitoba R3C 4K5 Telephone: 204-945-2548 Toll free in Manitoba: 1-800-655-2548 E-mail: <a href="mailto:exemptions.msc@gov.mb.ca">exemptions.msc@gov.mb.ca</a> <a href="http://www.msc.gov.mb.ca">www.msc.gov.mb.ca</a>
Québec	Autorité des marchés financiers Direction du financement des sociétés 800, rue du Square-Victoria, 22nd floor P.O. Box 246, Tour de la Bourse Montréal, Québec H4Z 1G3 Telephone: 514-395-0337 Toll free in Québec: 1-877-525-0337 E-mail: <a href="mailto:financement-participatif@lautorite.qc.ca">financement-participatif@lautorite.qc.ca</a> <a href="http://www.lautorite.qc.ca">www.lautorite.qc.ca</a>
New Brunswick	Financial and Consumer Services Commission 85 Charlotte Street, Suite 300 Saint John, New Brunswick E2L 2J2 Toll free: 1-866-933-2222 E-mail: <a href="mailto:emf-md@fcnb.ca">emf-md@fcnb.ca</a> <a href="http://www.fcnb.ca">www.fcnb.ca</a>
Nova Scotia	Nova Scotia Securities Commission Suite 400, 5251 Duke Street Halifax, Nova Scotia B3J 1P3 Telephone: 902-424-7768 Toll free in Nova Scotia: 1-855-424-2499 E-mail: <a href="mailto:nssc.crowdfunding@novascotia.ca">nssc.crowdfunding@novascotia.ca</a> <a href="http://www.nssc.gov.ns.ca">www.nssc.gov.ns.ca</a>



# **Start-up Crowdfunding Registration and Prospectus Exemptions**

## **Form 4 - Start-up Crowdfunding – Funding Portal Individual Information**

### **GENERAL INSTRUCTIONS:**

- (1) This form must be typed, printed, signed and delivered via e-mail with any attachments and the corresponding Start-up Crowdfunding - Funding Portal Information Form to the securities regulatory authority or regulator of each of the participating jurisdictions where the funding portal facilitates or intends to facilitate a start-up crowdfunding distribution at the e-mail address(es) provided on the last page of this form.*
- (2) This form must be completed and certified by each promoter, director, officer, and control person of the funding portal.*
- (3) The information provided on this form must be specific to the individual certifying this form.*
- (4) Question 5 and questions 11 to 23: Please check the appropriate space provided. If your answer to any of these questions is “Yes”, you must, in an attachment, provide complete details, including the circumstances, relevant dates, names of the parties involved and final disposition, if known. Responses must consider all time periods.*
- (5) An attachment in response to any question must be signed and dated by the individual certifying this form.*
- (6) If a change occurs and the form and documents filed with the securities regulatory authority or regulator are no longer up to date or the information they contain is no longer true, you must complete a new form setting out the change, and deliver it to the securities regulatory authority or regulator of each applicable participating jurisdiction as soon as practicable.*
- (7) For funding portal information, please refer to the Start-up Crowdfunding Guide for Funding Portals available on the website of the securities regulatory authority or regulator of the participating jurisdictions.*

### **FUNDING PORTAL INFORMATION**

1. Provide the full legal name of the funding portal as it appears on the funding portal's organizing documents.
2. Provide the name that the funding portal will be operating under.
3. Indicate the position(s) you hold with the funding portal.

### **INDIVIDUAL INFORMATION**

4. Full legal name:

---

First name

Middle name(s)

Last name

5. Are you currently, or have you ever been, known by any name(s) other than your full legal name stated above, for example nicknames or names due to marriage?

Yes ☐ No ☐

If yes, you must provide details.

6. Telephone, fax number and e-mail address:

Residential:	( )	Fax number:	( )
Business:	( )	E-mail:	

7. Provide all residential addresses for the past five years starting with your current residential address.

Number, street, city, province, territory or state, country and postal/ZIP code	From		To	
	MM	YYYY	MM	YYYY

8. If you are not a resident of Canada, you must have one address for service of process in Canada and provide the following information:

Name of agent for service:	
Name of contact person:	
Address for service:	
Telephone:	

9. Sex, date and place of birth:

Sex		Date of birth			Place of birth		
Female	<input type="checkbox"/>	MM	DD	YYYY	City	Province/ Territory/ State	Country
Male	<input type="checkbox"/>						

10. Country of citizenship: \_\_\_\_\_

11. Are you currently or have you ever been registered or licensed in any capacity with any Canadian securities regulatory authority or regulator, or with any other professional or regulatory entity?

Yes ☐ No ☐

If yes, you must provide your licence/ registration type, name of the entity, and the start date and ending date, if applicable:

12. Have you ever been dismissed for cause by an employer from a position following allegations that you:

- violated any statutes, regulations, rules or standards of conduct;
- failed to appropriately supervise compliance with any statutes, regulations, rules or standards of conduct; or
- committed fraud or the wrongful taking of property, including theft?

Yes ☐ No ☐

If yes, you must provide details.

## CRIMINAL DISCLOSURE

13. Have you ever been found guilty, pleaded no contest to, or been granted an absolute or conditional discharge from:

- a summary conviction or indictable offence under the *Criminal Code* (R.S.C., 1985, c. C-46) (Canada),
- a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction,
- a misdemeanour or felony under the criminal legislation of the United States of America, or any state or territory therein, or
- an offence under the criminal legislation of any other foreign jurisdiction.

Yes ☐ No ☐

If yes, you must provide details.

14. Are there any outstanding or stayed charges against you alleging a criminal offence that was committed?

Yes ☐ No ☐

If yes, you must provide details.

15. To the best of your knowledge, are there any outstanding or stayed charges against any entity of which you were, at the time the criminal offence was alleged to have taken place, a promoter, director, officer or control person?

Yes ☐ No ☐

If yes, you must provide details.

16. To the best of your knowledge, has any entity, when you were a promoter, director, officer or control person, ever been found guilty, pleaded no contest to or been granted an absolute or conditional discharge from a criminal offence that was committed?

Yes ☐ No ☐

If yes, you must provide details.

### **CIVIL DISCLOSURE**

17. Have you ever been the subject of an order, judgment, decree, sanction, or administrative penalty in Canada or a foreign jurisdiction in the last ten years related to your involvement in any type of business, securities, insurance or banking activity?

Yes ☐ No ☐

If yes, you must provide details.

18. Are there currently any outstanding civil actions alleging fraud, theft, deceit, misrepresentation, or similar misconduct against you or an entity of which you are or were a promoter, director, officer or control person?

Yes ☐ No ☐

If yes, you must provide details.

19. Have you or an entity of which you are or were a promoter, director, officer or control person ever been a defendant or respondent in any civil proceeding in which a fraud, theft, deceit, misrepresentation, or similar misconduct is, or was, successfully established in a judgement?

Yes ☐ No ☐

If yes, you must provide details.

### **FINANCIAL DISCLOSURE**

20. Have you or any entity when you were a promoter, director, officer or control person of that entity, ever had a petition in bankruptcy issued or made a voluntary assignment in bankruptcy or any similar proceeding?

Yes ☐ No ☐

If yes, you must provide details.

21. Have you or any entity when you were a promoter, director, officer or control person of that entity made a proposal under any legislation relating to bankruptcy or insolvency or any similar proceeding?

Yes ☐ No ☐

If yes, you must provide details.

22. Have you or any entity when you were a promoter, director, officer or control person of that entity ever been subject to proceedings under any legislation relating to the winding up or dissolution of that entity, or under the *Companies' Creditors Arrangement Act* (Canada) or similar legislation?

Yes ☐ No ☐

If yes, you must provide details.

23. Have you or any entity when you were a promoter, director, officer or control person of that entity ever been subject to, or initiated any proceedings, arrangement or compromise with creditors? This includes having a receiver, receiver-manager, administrator or trustee appointed by or at the request of creditors, privately, through court process or by order of a regulatory authority, to hold your assets.

Yes ☐ No ☐

If yes, you must provide details.

## **COLLECTION AND USE OF PERSONAL INFORMATION**

The personal information required under this form is collected, used and disclosed by the securities regulatory authority or, where applicable, regulator of the participating jurisdictions under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

By submitting this form, you consent to the collection, use and disclosure of this personal information by the securities regulatory authority or regulator of each participating jurisdiction and any police records, records from other government or non-governmental regulators or self-regulatory organizations, credit records and employment records about you that the securities regulatory authority or regulator may need to determine the completeness of the information submitted in this form and compliance with the conditions of the start-up crowdfunding registration and prospectus exemptions. The securities regulatory authority or regulator may contact government and private bodies or agencies, individuals, corporations and other organizations for information about you.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or regulator of any participating jurisdiction in which this form is delivered. Contact information is listed at the end of this form.



## **CERTIFICATION**

By submitting this form, I:

- certify that the statements made in this form are true and complete, and
- agree to be subject to the securities legislation of each participating jurisdiction of Canada where I have submitted this form. This includes the jurisdiction of any tribunals or any proceedings that relate to my activities as a promoter, director, officer or control person of a funding portal under applicable securities legislation.

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

Print name: \_\_\_\_\_

Position held: \_\_\_\_\_

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS FORM**

**Deliver by e-mail to the securities regulatory authority or regulator of each applicable participating jurisdiction:**

British Columbia	British Columbia Securities Commission P.O. Box 10142, Pacific Centre 701 West Georgia Street Vancouver, British Columbia V7Y 1L2 Telephone: 604-899-6854 Toll free across Canada: 1-800-373-6393 E-mail: <a href="mailto:portal@bcsc.bc.ca">portal@bcsc.bc.ca</a> <a href="http://www.bcsc.bc.ca">www.bcsc.bc.ca</a>
Saskatchewan	Financial and Consumer Affairs Authority of Saskatchewan Securities Division Suite 601 – 1919 Saskatchewan Drive Regina, Saskatchewan S4P 4H2 Telephone: 306-787-5645 E-mail: <a href="mailto:registrationfcaa@gov.sk.ca">registrationfcaa@gov.sk.ca</a> <a href="http://www.fcaa.gov.sk.ca">www.fcaa.gov.sk.ca</a>
Manitoba	The Manitoba Securities Commission 500 – 400 St Mary Avenue Winnipeg, Manitoba R3C 4K5 Telephone: 204-945-2548 Toll free in Manitoba: 1-800-655-2548 E-mail: <a href="mailto:exemptions.msc@gov.mb.ca">exemptions.msc@gov.mb.ca</a> <a href="http://www.msc.gov.mb.ca">www.msc.gov.mb.ca</a>
Québec	Autorité des marchés financiers Direction du financement des sociétés 800, rue du Square-Victoria, 22nd floor P.O. Box 246, Tour de la Bourse Montréal, Québec H4Z 1G3 Telephone: 514-395-0337 Toll free in Québec: 1-877-525-0337 E-mail: <a href="mailto:financement-participatif@lautorite.qc.ca">financement-participatif@lautorite.qc.ca</a> <a href="http://www.lautorite.qc.ca">www.lautorite.qc.ca</a>
New Brunswick	Financial and Consumer Services Commission 85 Charlotte Street, Suite 300 Saint John, New Brunswick E2L 2J2 Toll free: 1-866-933-2222 E-mail: <a href="mailto:emf-md@fcnb.ca">emf-md@fcnb.ca</a> <a href="http://www.fcnb.ca">www.fcnb.ca</a>
Nova Scotia	Nova Scotia Securities Commission Suite 400, 5251 Duke Street Halifax, Nova Scotia B3J 1P3 Telephone: 902-424-7768 Toll free in Nova Scotia: 1-855-424-2499 E-mail: <a href="mailto:nssc.crowdfunding@novascotia.ca">nssc.crowdfunding@novascotia.ca</a> <a href="http://www.nssc.gov.ns.ca">www.nssc.gov.ns.ca</a>

# Start-up Crowdfunding Registration and Prospectus Exemptions

## Form 5 - Start-up Crowdfunding – Report of Exempt Distribution

### GENERAL INSTRUCTIONS:

#### (1) Filing Instructions

*An issuer relying on the start-up crowdfunding prospectus exemption is required to file a report of exempt distribution no later than the 30th day after the closing of the distribution as follows:*

- ***In all participating jurisdictions (except British Columbia)*** – file this form through the System for Electronic Document Analysis and Retrieval (SEDAR) in accordance with National Instrument 13-101 System for Electronic Document Analysis and Retrieval (SEDAR). Schedule 1 to Form 5 must be filed in the format of an Excel spreadsheet in a form acceptable to the securities regulatory authority or regulator.
- ***In British Columbia*** – use Form 45-106FI Report of Exempt of Distribution and file through BCSC eServices at <http://www.bcsc.bc.ca>.

*This report of exempt distribution must be filed where the issuer has made a start-up crowdfunding distribution, as well as in the participating jurisdictions where the issuer's head office is located.*

- (2) *References to a purchaser in this report are to the beneficial owner of the securities.*
- (3) *This form must be completed and certified by an authorized individual on behalf of the issuer.*
- (4) *For issuer information and for information relating to the filing of this form, please refer to the Start-up Crowdfunding Guide for Businesses available on the website of the securities regulatory authority or regulator of the participating jurisdictions.*

### ISSUER INFORMATION

1. Full legal name: \_\_\_\_\_  
Former legal name (if the name has changed since last report): \_\_\_\_\_  
Head office address: \_\_\_\_\_  
Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Website URL: \_\_\_\_\_
2. Full legal name of contact person: \_\_\_\_\_  
Business address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail: \_\_\_\_\_  
Position with issuer \_\_\_\_\_

3. Indicate the industry of the issuer by checking the appropriate box:

- |  |                                     |                                      |
|--|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> Bio-tech                | <input type="checkbox"/> Hi-tech    | <input type="checkbox"/> Oil and gas |
| <input type="checkbox"/> Financial Services      | <input type="checkbox"/> Industrial | <input type="checkbox"/> Real estate |
| <input type="checkbox"/> Forestry                | <input type="checkbox"/> Mining     | <input type="checkbox"/> Utilities   |
| <input type="checkbox"/> Other (describe): _____ |                                     |                                      |

### START-UP CROWDFUNDING DISTRIBUTION

4. Date the offering document was first made available to purchasers through the funding portal: \_\_\_\_\_

Date of the closing of the distribution: \_\_\_\_\_

5. Type of eligible securities offered: \_\_\_\_\_

6. If the eligible securities offered are convertible, describe the type of underlying security, the terms of conversion and any expiry date: \_\_\_\_\_  
\_\_\_\_\_

7. Total number of eligible securities distributed: \_\_\_\_\_ Price per eligible security (\$): \_\_\_\_\_

8. Aggregate funds raised through this start-up distribution (\$): \_\_\_\_\_

8.1 Have funds been raised through concurrent distributions using other prospectus exemptions that are unconditionally available to the issuer to satisfy the minimum amount disclosed in the start-up offering document? Yes ☐ No ☐

If yes indicate amount raised (Canadian\$): \_\_\_\_\_

9. Total commission, fee and any other amount paid to the funding portal for this distribution (\$): \_\_\_\_\_

10. Complete Schedule 1 to this form.

11. Complete the following table with respect to funds raised through this start-up distribution.

Each participating jurisdiction where purchasers of the securities reside	Number of purchasers	Aggregate funds raised from purchasers in the participating jurisdictions (Canadian \$)
<b>Total number of purchasers</b>		
<b>Aggregate funds raised from purchasers in all participating jurisdictions (Canadian \$)</b>		

## CERTIFICATE

On behalf of the issuer, I certify that the statements made in this report are true and complete.

Full legal name of  
issuer:

\_\_\_\_\_

Signature:

\_\_\_\_\_

Date:

\_\_\_\_\_

Print name:

\_\_\_\_\_

Position held:

\_\_\_\_\_

Telephone:

\_\_\_\_\_

E-mail:

\_\_\_\_\_

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

## **NOTICE - COLLECTION AND USE OF PERSONAL INFORMATION**

The personal information required under this report is collected on behalf of and used by the securities regulatory authorities or, where applicable, the regulators of the participating jurisdictions under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or, where applicable, the regulator in each of the participating jurisdictions where the report is filed, at the address(es) listed at the end of this report.

## **SCHEDULE 1 to FORM 5 – START-UP CROWDFUNDING – PURCHASER INFORMATION**

Schedule 1 to Form 5 must be filed in the format of an Excel spreadsheet in a form acceptable to the securities regulatory authority or regulator.

Provide the information below for each purchaser who purchased eligible securities through the start-up crowdfunding distribution. Do not include any purchaser information where any other prospectus exemption was relied on.

This information will not be placed on the public file of the securities regulatory authority or regulator of the participating jurisdictions. However, freedom of information legislation may require a securities regulatory authority or regulator of a participating jurisdiction to make this information available if requested.

**a) General information**

1. Full Name of the Issuer
2. Date of certificate of report

*Provide the following information for each purchaser that participated in the start-up distribution. For each purchaser, create separate entities.*

**b) Individual (Y or N)**

**c) Legal name of purchaser**

1. Last Name (or Legal Entity Name)
2. First name
3. Middle name

**d) Contract information of purchaser**

1. Address Line 1 (Residential street address)
2. Address Line 2 (if needed)
3. Municipality
4. Province
5. Postal Code
6. Telephone Number
7. E-mail address

**e) Details of eligible securities purchased**

1. Number of Eligible Securities Purchased
2. Total Purchase Price (Canadian \$)

## **Questions:**

Refer any questions to the following participating jurisdictions:

Saskatchewan	Financial and Consumer Affairs Authority of Saskatchewan Securities Division Suite 601 – 1919 Saskatchewan Drive Regina, Saskatchewan S4P 4H2 Telephone: 306-787-5645 Fax: 306-787-5842 E-mail: <a href="mailto:exemptions@gov.sk.ca">exemptions@gov.sk.ca</a> <a href="http://www.fcaa.gov.sk.ca">www.fcaa.gov.sk.ca</a>
Manitoba	The Manitoba Securities Commission 500 – 400 St Mary Avenue Winnipeg, Manitoba R3C 4K5 Telephone: 204-945-2548 Toll free in Manitoba: 1-800-655-2548 E-mail: <a href="mailto:exemptions.msc@gov.mb.ca">exemptions.msc@gov.mb.ca</a> <a href="http://www.msc.gov.mb.ca">www.msc.gov.mb.ca</a>
Québec	Autorité des marchés financiers Direction du financement des sociétés 800, rue du Square-Victoria, 22nd floor P.O. Box 246, Tour de la Bourse Montréal, Québec H4Z 1G3 Telephone: 514-395-0337 Toll free in Québec: 1-877-525-0337 Fax: 514 873-3090 E-mail: <a href="mailto:financement-participatif@lautorite.qc.ca">financement-participatif@lautorite.qc.ca</a> <a href="http://www.lautorite.qc.ca">www.lautorite.qc.ca</a>
New Brunswick	Financial and Consumer Services Commission 85 Charlotte Street, Suite 300 Saint John, New Brunswick E2L 2J2 Toll free: 1-866-933-2222 Fax: 506-658-3059 E-mail: <a href="mailto:emf-md@fcnb.ca">emf-md@fcnb.ca</a> <a href="http://www.fcnb.ca">www.fcnb.ca</a>
Nova Scotia	Nova Scotia Securities Commission Suite 400, 5251 Duke Street Halifax, Nova Scotia B3J 1P3 Telephone: 902-424-7768 Toll free in Nova Scotia: 1-855-424-2499 Fax: 9 02-424-4625 E-mail: <a href="mailto:nssc.crowdfunding@novascotia.ca">nssc.crowdfunding@novascotia.ca</a> <a href="http://www.nssc.gov.ns.ca">www.nssc.gov.ns.ca</a>