

Nova Scotia Securities Commission

Rule 45-106 (Amendment)
Prospectus Exemptions

-and-

Consequential Amendments to Rules 45-102, 52-107 and 11-102

-and-

**Amendments to National Instrument 45-102 *Resale of Securities*, National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* and Multilateral Instrument 11-102 *Passport System*
(collectively, the Rule Amendments)**

-and-

**Changes to National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*
(the Policy Amendment)**

WHEREAS:

1. Pursuant to section 150 of the *Securities Act*, R.S.N.S. 1989, chapter 418, as amended (the Act), the Nova Scotia Securities Commission (the Commission) has power to make rules subject to compliance with the requirements of the Act;
2. Pursuant to section 19 of the Act, the Commission has power to issue and publish policy statements;
3. The Rule Amendments and the Policy Amendment, copies of which are attached hereto, have been made a rule by one or more of the Canadian securities regulatory authorities; and
4. The Commission is of the opinion that the attainment of the purpose of the Act is advanced by this Instrument.

NOW THEREFORE the Commission hereby:

- (a) pursuant to the authority contained in section 150 of the Act and subject to compliance with the requirements of section 150A of the Act, approves the Rule Amendments and makes the same a rule of the Commission;

- (b) pursuant to the authority contained in section 19 of the Act and subject to publication on the Commission's website, issues the Policy Amendment as a policy statement of the Commission; and
- (c) declares that the Rule Amendments approved and made pursuant to clause (a) and the issuance of the Policy Amendment pursuant to clause (b) shall both take effect on **April 30, 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 and the policy statement shall not be effective until the rule is approved by the Minister.

IN WITNESS WHEREOF this Instrument has been signed by the Vice-chair and Acting Chair of the Commission, being the member of the Commission prescribed by the Chair pursuant to subsection 15(3) of the Act to attend the hearing of this matter and the quorum with respect to this matter, on the 5th day of November, 2015.



Paul Radford, Q.C.,
Vice-chair and Acting Chair

Attachments

**Amendments to
National Instrument 45-102 Resale of Securities**

1. *National Instrument 45-102 Resale of Securities is amended by this Instrument.*
2. *Appendix D is amended in the list preceding “Transitional and Other Provisions” by replacing “section 2.9 [Offering memorandum] (in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon);” with “section 2.9 [Offering memorandum];”.*
3. This Instrument comes into force in Ontario on January 13, 2016 and in Alberta, New Brunswick, Nova Scotia, Québec and Saskatchewan on April 30, 2016.

**Amendments to
National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards***

1. *National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards is amended by this Instrument.*

2. *Section 1.1 is amended*

(a) *by deleting “except in Ontario, ” from paragraph (d) of the definition of “acquisition statements”.*

3. *Subsection 2.1(2) is amended*

(a) *by deleting “except in Ontario, ” wherever it occurs, and*

(b) *by deleting “and” at the end of paragraph (g), by adding “, and” at the end of paragraph (h) and by adding the following paragraph:*

(i) all financial statements

(i) filed by an issuer under subsection 2.9(17.4) of National Instrument 45-106 *Prospectus Exemptions*,

(ii) delivered by an issuer under subsection 2.9(17.5) of National Instrument 45-106 *Prospectus Exemptions*, or

(iii) made reasonably available by an issuer under subsection 2.9(17.6) of National Instrument 45-106 *Prospectus Exemptions*.

4. *In the following provisions, “(c) and (e)” is replaced with “(c), (e) and (i)”:*

(a) *subsection 3.2(1);*

(b) *subsection 3.7(1);*

(c) *subsection 3.8(1);*

(d) *subsection 3.9(1);*

(e) *subsection 3.10(1).*

5. This Instrument comes into force in Ontario on January 13, 2016 and in Alberta, New Brunswick, Nova Scotia, Québec and Saskatchewan on April 30, 2016.

**Amendments to
Multilateral Instrument 11-102 *Passport System***

1. *Multilateral Instrument 11-102 Passport System is amended by this Instrument.*
2. *Appendix D is amended by replacing the following rows*

Offering memorandum in required form	s.2.9(5) of NI 45-106	n/a
Requirement to file offering memorandum within prescribed time	s.2.9(14) of NI 45-106	n/a

with

Offering memorandum in required form	s.2.9(5) of NI 45-106	s.2.9(5) & s.2.9(5.1) of NI 45-106	s.2.9(5) & s.2.9(5.1) of NI 45-106	s.2.9(5) of NI 45-106	s.2.9(5) & s.2.9(5.1) of NI 45-106	s.2.9(5) & s.2.9(5.1) of NI 45-106	s.2.9(5) & s.2.9(5.1) of NI 45-106	s.2.9(5) of NI 45-106	s.2.9(5) of NI 45-106	s.2.9(5) of NI 45-106	s.2.9(5) of NI 45-106	s.2.9(5) of NI 45-106	s.2.9(5) & s.2.9(5.1) of NI 45-106
Requirement to file offering memorandum within prescribed time	s.2.9(14) of NI 45-106												

3. This Instrument comes into force in Alberta, New Brunswick, Nova Scotia, Québec and Saskatchewan on April 30, 2016.

Blackline Showing Changes To
Companion Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*

This document reflects changes to National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* that will take effect upon the coming into force of the Rule Amendments. Additions are represented with underlined text.

3.8 – General guidelines

(4) The regulators are not prepared to extend the availability of a non-harmonized exemption set out in National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) to a non-principal jurisdiction where the non-harmonized exemption is not available under that rule. If a filer makes a passport application or a dual application that would have that effect, the principal regulator will request that the filer provide a representation that no person or company will rely on the exemption in that non-principal jurisdiction. For example, jurisdictions have adopted different types of offering memorandum exemptions under NI 45-106. A principal regulator would not grant an exemption that would have the effect of allowing the use of a type of offering memorandum exemption that is not available under NI 45-106 in a non-principal jurisdiction, unless the filer gave a representation that no person or company would offer the securities relying on that type of offering memorandum exemption in the non-principal jurisdiction.