

For Immediate Release
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Certain Canadian securities regulators to adopt start-up crowdfunding exemptions

Montréal – The securities regulators of British Columbia, Saskatchewan, Manitoba, Québec, New Brunswick and Nova Scotia (the “participating jurisdictions”) today announced they have implemented, or expect to implement, registration and prospectus exemptions that will allow start-ups and early-stage companies to raise capital through crowdfunding in these jurisdictions, subject to certain conditions.

These exemptions are further to the comments received as part of the consultation held in March 2014. Businesses wishing to rely on these exemptions will be able to conduct crowdfunding distributions in all participating jurisdictions.

“Crowdfunding is an attractive way for start-ups to raise capital. This regime addresses micro-capitalization needs and issues, which are more local in nature and sometimes industry-specific. Each member of the Canadian Securities Administrators was therefore able to consider the characteristics of its own market and choose whether to opt in to the exemption regime,” explained Louis Morisset, CSA Chair and President and CEO of the *Autorité des marchés financiers*. “Some participating jurisdictions continue to work on proposed Multilateral Instrument 45-108 – *Crowdfunding*.”

The start-up crowdfunding exemption is comprised of two exemptions: a prospectus exemption for start-ups seeking to raise capital and a dealer registration exemption for persons wishing to operate a funding portal. The conditions associated with these exemptions are outlined in Multilateral CSA Notice 45-316 – *Start-up Crowdfunding Registration and Prospectus Exemptions*. Registered dealers are able to operate funding portals that facilitate start-up crowdfunding distributions, subject to their registration obligations, including suitability.

A copy of the Multilateral CSA Notice 45-316 and exemptions are or will shortly be available on the [participating jurisdictions’ websites](#).

The CSA, the council of securities regulators of Canada's provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets.

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