

**For Immediate Release
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Canadian Securities Regulators propose changes to the accredited investor and minimum amount investment prospectus exemptions

Vancouver - The Canadian Securities Administrators (CSA) today published for comment proposed amendments relating to the accredited investor prospectus exemption (AI exemption) and the minimum amount investment prospectus exemption (MA exemption) in National Instrument 45-106 *Prospectus and Registration Exemptions*.

The proposed amendments include, among other things:

- 1) a new risk acknowledgement form for individual accredited investors that describes, in plain language, the categories of individual accredited investor, and the protections an investor will not receive by purchasing under the AI exemption; and
- 2) restricting the MA exemption to distributions to non-individual investors.

“These amendments are intended to address investor protection concerns, while balancing the capital raising challenges facing issuers,” said Bill Rice, Chair of the CSA and Chair and CEO of the Alberta Securities Commission. “Concerns include individual investors not understanding the risks of investing under the AI exemption, and individuals investing more than they can afford to meet the requirements of the MA exemption.”

The proposed amendments would also amend the definition of accredited investor in Ontario to allow fully managed accounts to purchase investment fund securities using the managed account category of the AI exemption, as is permitted in other Canadian jurisdictions. The Ontario Securities Commission’s proposal to make this change would harmonize this category of the AI exemption in Canada.

The proposed amendments are the result of a comprehensive review by the CSA of both the AI and MA exemptions that involved stakeholder consultation across Canada, a review of enforcement cases and a thorough examination of data from exempt distribution reports filed over a 12-month period.

The CSA notice and the proposed amendments are available on CSA members’ websites. The comment period is open until May 28, 2014.

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

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