

**For Immediate Release
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Canadian regulators propose new processes for making regulatory decisions

Vancouver – Canadian regulators are proposing new processes for individuals and public companies filing prospectuses or applying for relief from securities requirements in multiple jurisdictions.

On August 31, 2007, the Canadian Securities Administrators (CSA) published for comment two proposed policies describing new processes that would streamline the way persons who file a prospectus or apply for exemptive relief obtain regulatory decisions in multiple jurisdictions. The new processes represent the next step forward in the operation of the passport system and include a set of interfaces between the passport jurisdictions and Ontario.

“The proposed policies will significantly enhance the effectiveness and efficiency of the securities regulatory system for market participants who want to gain access to the capital markets in both passport jurisdictions and Ontario,” said Jean St-Gelais, Chair of the CSA and President & Chief Executive Officer of the Autorité des marchés financiers (Québec).

Proposed National Policy 11-202 *Process for prospectus reviews in multiple jurisdictions* and National Policy 11-203 *Process for exemptive relief applications in multiple jurisdictions* would replace the existing Mutual Reliance Review System policies for prospectus and exemptive relief applications.

All CSA members – except for the Ontario Securities Commission – plan to move forward with the enhanced passport system at the end of March 2008 by adopting the proposed passport rule (MI 11-102) published for comment earlier this year.

Under the proposed policies:

- The interfaces into Ontario for market participants based in passport jurisdictions are similar to the existing mutual reliance review systems.
- Ontario market participants have direct access to passport jurisdictions under the passport rule.
- Foreign market participants gain access to the Canadian capital markets through a principal regulator on the same basis as other market participants in that regulator’s jurisdiction.

“The OSC has actively participated in developing the proposed prospectus and exemptive relief application policies and designing the interfaces between the passport jurisdictions and Ontario,” said Doug Hyndman, Chair of the CSA Passport Steering Committee and Chair of the British Columbia Securities Commission. “We look forward to continuing to

work with our Ontario colleagues as we develop a similar policy for registration. We expect to publish the registration interface policy in the next few months.”

The passport system will allow a person who clears a prospectus, registers as a dealer or adviser, or obtains a discretionary exemption in that person’s home province to have that clearance, registration or exemption automatically apply in all of the passport provinces and territories. It will also ensure that public companies are subject to only one set of harmonized requirements.

CSA passport regulators expect to implement the passport system in stages, starting with passport for prospectuses, continuous disclosure, and discretionary exemptions concurrently with the expected implementation of the national prospectus rule (NI 41-101) in March 2008. They expect to implement passport for registration later, concurrently with the national registration rule (NI 31-103) targeted for July 2008.

The proposed policies are available on various CSA members’ websites. The comment period is open until October 30, 2007.

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

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