

**1.1.2 CSA Staff Notice 45-304 – Notice of Local Exemptions Related to NI 45-106 Prospectus and Registration Exemptions and NI 31-103 Registration Requirements and Exemptions**

**CSA STAFF NOTICE 45-304**

**NOTICE OF LOCAL EXEMPTIONS RELATED TO  
NATIONAL INSTRUMENT 45-106 *PROSPECTUS AND REGISTRATION EXEMPTIONS*  
AND  
NATIONAL INSTRUMENT 31-103 *REGISTRATION REQUIREMENTS AND EXEMPTIONS***

Effective September 28, 2009, members of the Canadian Securities Administrators (CSA or we) implemented an amended and restated National Instrument 45-106 *Prospectus and Registration Exemptions* (NI 45-106) together with various consequential amendments to certain national and local instruments, rules and regulations. Also effective September 28, 2009, the CSA implemented National Instrument 31-103 *Registration Requirements and Exemptions* (NI 31-103). The registration exemptions contained in NI 45-106 will remain in effect for a transition period until March 27, 2010.

Although NI 45-106 and NI 31-103 consolidate and harmonize most of the prospectus and registration exemptions available under Canadian securities laws, there remain a limited number of local exemptions in each jurisdiction.

This notice lists the prospectus and registration exemptions in each jurisdiction that are not included in NI 45-106 or NI 31-103. These exemptions are listed by jurisdiction and apply only in that jurisdiction. Please refer to the Appendix attached to this notice. Although we have attempted to consolidate a list of all remaining exemptions by local jurisdiction, we encourage persons relying on a local exemption to consult the securities legislation of the jurisdiction. If a jurisdiction is not listed in the Appendix, please consult the securities legislation of that jurisdiction for any local exemptions.

The list of exemptions in the Appendix is up-to-date as of November 27, 2009. Although the CSA will update the list of local exemptions periodically, issuers and their counsel should check the current status of any local exemption.

**Questions**

Questions about any of the local exemptions listed in the Appendix may be referred to the contact(s) for that local jurisdiction listed below:

***British Columbia***

Gordon Smith  
Senior Legal Counsel, Corporate Finance  
British Columbia Securities Commission  
(604) 899-6656  
[gsmith@bcsc.bc.ca](mailto:gsmith@bcsc.bc.ca)

George Hungerford  
Senior Legal Counsel, Corporate Finance  
British Columbia Securities Commission  
(604) 899-6690  
[ghungerford@bcsc.bc.ca](mailto:ghungerford@bcsc.bc.ca)

***Alberta***

Taryn Montgomery  
Legal Counsel  
Alberta Securities Commission  
(403) 297-4968  
[Taryn.Montgomery@asc.ca](mailto:Taryn.Montgomery@asc.ca)

Tracy Clark  
Legal Counsel  
Alberta Securities Commission  
(403) 355-4424  
[Tracy.Clark@asc.ca](mailto:Tracy.Clark@asc.ca)

***Saskatchewan***

Dean Murrison  
Deputy Director, Legal/Registration  
Securities Division  
Saskatchewan Financial Services Commission  
(306) 787-5879  
[Dean.Murrison@gov.sk.ca](mailto:Dean.Murrison@gov.sk.ca)

***Manitoba***

Chris Besko  
Legal Counsel – Deputy Director  
The Manitoba Securities Commission  
(204) 945-2561  
[cbesko@gov.mb.ca](mailto:cbesko@gov.mb.ca)

**Ontario**

Jo-Anne Matear  
Assistant Manager, Corporate Finance Branch  
Ontario Securities Commission  
(416) 593-2323  
[jmatear@osc.gov.on.ca](mailto:jmatear@osc.gov.on.ca)

Jason Koskela  
Legal Counsel, Corporate Finance  
Ontario Securities Commission  
(416) 595-8922  
[jkoskela@osc.gov.on.ca](mailto:jkoskela@osc.gov.on.ca)

Robert F. Kohl (for NI 31-103)  
Senior Legal Counsel  
Registrant Regulation  
Ontario Securities Commission  
(416) 593-8233  
[rkohl@osc.gov.on.ca](mailto:rkohl@osc.gov.on.ca)

**Quebec**

Sylvie Lalonde (for NI 45-106)  
Manager, Policy Department  
Autorité des marchés financiers  
(514) 395-0337, ext. 4461  
[sylvie.lalonde@lautorite.qc.ca](mailto:sylvie.lalonde@lautorite.qc.ca)

Rosetta Gagliardi (for NI 45-102)  
Senior Policy Advisor  
Autorité des marchés financiers  
(514) 395-0337 ext. 4462  
[rosetta.gagliardi@lautorite.qc.ca](mailto:rosetta.gagliardi@lautorite.qc.ca)

Isabelle Pelletier (for NI 31-103)  
Legal Counsel  
Autorité des marchés financiers  
(514) 395-0337, ext. 2566  
[isabelle.pelletier@lautorite.qc.ca](mailto:isabelle.pelletier@lautorite.qc.ca)

**Nova Scotia**

Shirley Lee  
Director, Policy and Market Regulation  
Nova Scotia Securities Commission  
(902) 424-5441  
[leesp@gov.ns.ca](mailto:leesp@gov.ns.ca)

**New Brunswick**

Susan Powell  
Senior Legal Counsel, Regulatory Affairs  
New Brunswick Securities Commission  
(506) 643-7697  
[susan.powell@nbsc-cvmnb.ca](mailto:susan.powell@nbsc-cvmnb.ca)

**Prince Edward Island**

Steve Dowling  
Superintendent of Securities  
Prince Edward Island  
(902) 368-4551  
[sddowling@gov.pe.ca](mailto:sddowling@gov.pe.ca)

**Newfoundland & Labrador**

Don Boyles  
Program & Policy Development  
Securities Commission of Newfoundland and  
Labrador  
Government of Newfoundland & Labrador  
(709) 729-4501  
[dboyles@gov.nl.ca](mailto:dboyles@gov.nl.ca)

***Yukon***

Fred Pretorius  
Director, Corporate Affairs (C-6)  
Dept of Community Services  
Government of Yukon  
(867) 667-5225  
[fred.pretorius@gov.yk.ca](mailto:fred.pretorius@gov.yk.ca)

***Northwest Territories***

Donn MacDougall  
Deputy Superintendent, Legal & Enforcement  
Office of the Superintendent of Securities  
Government of the Northwest Territories  
PO Box 1320  
Yellowknife, NT X1A 2L9  
Tel: (867) 920-8984  
Fax: (867) 873-0243  
E-mail: [donald\\_macdougall@gov.nt.ca](mailto:donald_macdougall@gov.nt.ca)

***Nunavut***

Louis Arki, Director, Legal Registries  
Department of Justice,  
Government of Nunavut  
(867) 975-6587  
[larki@gov.nu.ca](mailto:larki@gov.nu.ca)

**November 27, 2009**

## Appendix

### Local Exemptions – Alberta

#### Alberta Securities Commission Rules

Section 127.03 (Prospectus exemption for cooperatives and corporations under the *Rural Utilities Act*)

Section 127.04 (Transitional: exemption of trades)

ASC Rule 45-502 *Trade with RESP*

ASC Rule 72-501 *Distributions to Purchasers Outside Alberta*

ASC Rule 91-504 *Strip Bonds*

#### Blanket Orders

ASC Blanket Order 87/03/26 Certain Interests in Government Securities

ASC Blanket Order 90/02/22 Trades of Government Warrants

ASC Blanket Order 2005/10/21 Registration and Prospectus Exemption for Certain Capital Accumulation Plans

ASC Blanket Order 91-503 Over-the-Counter Derivatives Transactions and Commodity Contracts

### Local Exemptions – British Columbia

#### Commission Rules

BC Instrument 45-501 *Mortgages*

#### Blanket Orders

BC Instrument 32-503 *Registration Exemption for Approved Persons of the Mutual Funds Dealers Association of Canada*

BC Instrument 33-517 *Registration and Prospectus Exemption for Persons Registered under the Mortgage Brokers Act*

BC Instrument 45-504 *Trades to trust companies, insurers, and portfolio managers outside British Columbia*

BC Instrument 45-512 *Real Estate Securities*

BC Instrument 45-514 *The Employee Investment Act*

BC Instrument 45-524 *Registration and Prospectus Exemption for Certain Capital Accumulation Plans*

BC Instrument 45-528 *Trades under a realization on collateral given for a debt*

BC Instrument 45-529 *Bonus or finders fee*

BC Instrument 45-530 *Exemptions for securities issued by a cooperative association*

BC Instrument 45-531 *Exemptions for shares or deposits of a credit union*

BC Instrument 72-502 *Trades in Securities of U.S. Registered Issuers*

BC Instrument 72-503 *Distribution of Securities outside British Columbia*

BC Instrument 72-504 *Distribution of Eurobonds*

BC Instrument 81-504 *Transactions Between Mutual Funds and Responsible Persons Relating to Certain Debt Securities, Mortgages and Equity Securities*

BC Instrument 91-501 *Over-The-Counter Derivatives*

BC Instrument 91-502 *Short Term Foreign Exchange Transactions*

BC Instrument 91-503 *Contracts Providing for Physical Delivery of Commodities*

BC Instrument 91-504 *Government Strip Bonds*

BC Instrument 91-505 *Prospectus exemption for put and call options*

#### **Local Exemptions – Manitoba**

##### ***The Securities Act (Manitoba)***

Section 19(1)(c) and 58(1)(a) – Exempt Purchasers

Sections 19(2)(g) and 58(3)(a) – Securities to which *The Cooperatives Act* apply

Sections 19(2)(h) and 58(3)(a) – Securities to which *The Credit Unions and Caisses Populaires Act* apply

##### ***Securities Regulation (Manitoba)***

Sections 91(a) and (b) of *The Securities Regulation* M.R. 491/88R

##### ***Blanket Rulings (Manitoba)***

Local Policy 3.17 – Strip Bonds

#### **Local Exemptions – New Brunswick**

##### **Rules**

Local Rule 45-501 *Prospectus and Registration Exemptions*

Local Rule 45-802 *Implementing National Instrument 45-106 Prospectus and Registration Exemptions*

Local Rule 81-502 *Registration and Prospectus Exemption for Certain Capital Accumulation Plans*

Local Rule 91-501 *Derivatives*

#### **Local Exemptions – Newfoundland and Labrador**

##### ***Securities Act (Newfoundland and Labrador)***

Section 35 (Exemption of advisers)

Section 36 (Exemption of trades)

#### **Local Exemptions – Northwest Territories**

##### ***Securities Act (Northwest Territories)***

Section 2 (Various exemptions from registration requirement)

##### **Blanket Orders**

Blanket Order No. 1 – Section 2 (Secondary Market Trading)

Blanket Order No. 1 – Subsection 3(a) (*Bona Fide* Debts of Non-control Persons)

Blanket Order No. 1 – Section 3(b) (Securities of a Cooperative)

Blanket Order No. 1 – Section 3(c) (Distributions commenced in reliance on Blanket Order exemptions in effect prior to September 14, 2005)

Blanket Order No. 2 – Subsection 2(a) (*Bona Fide Debts of Non-control Persons*)

Blanket Order No. 2 – Section 2(b) (Securities of a Cooperative)

Blanket Order No. 2 – Section 2(c) (Trades commenced in reliance on Blanket Order exemptions in effect prior to September 14, 2005)

### Local Exemptions – Nova Scotia

#### Securities Act (Nova Scotia)

Section 41(1) (ama) and (amb) (Registration exemption for securities of a cooperative)

Section 41(2)(i) (Registration exemption for shares of a credit union within the meaning of the *Credit Union Act*)

Section 77(1)(ah) (Prospectus exemption for securities of a cooperative)

Section 78(1)(a) as it relates to section 41(2)(i) (Prospectus exemption for shares of a credit union within the meaning of the *Credit Union Act*)

#### Rules

NSSC Rule 35-101 *Conditional Exemption from Registration for United States Broker-Dealers and Agents*

#### Regulations

Section 3 of the *Community Economic – Development Corporations Regulations* – N.S. Reg. 79/98 (Registration and prospectus exemptions for shares of a community economic-development corporation)

#### Blanket Orders

Blanket Order No. 3 Zero Coupon Strip Bonds

Blanket Order No. 15 Trading in Recognized Options Cleared Through Recognized Clearing Organizations

Blanket Order No. 16 Trading in Commodity Futures Contracts and Commodity Futures Options

Blanket Order No. 24 Certain Certificates for Government Securities

Blanket Order No. 47 Distribution of Mutual Funds Established for Employees of a Company and Its Affiliates

Blanket Order No. 45-507 A Registration and Prospectus Exemption for Certain Capital Accumulation Plans

Blanket Order No. 45-509 Trades in Warrants to Acquire Certain Debt Securities

Blanket Order No. 45-510 First and Subsequent Trades in Shares of a Community Economic-Development Corporation

### Local Exemptions – Nunavut

#### Securities Act (Nunavut)

Section 2 (Various exemptions from registration requirement)

#### Blanket Orders

Blanket Order No. 1 – Section 2 (Secondary Market Trading)

Blanket Order No. 1 – Subsection 3(a) (*Bona Fide Debts of Non-control Persons*)

Blanket Order No. 1 – Section 3(b) (Securities of a Cooperative)

Blanket Order No. 1 – Section 3(c) (Distributions commenced in reliance on Blanket Order exemptions in effect prior to September 14, 2005)

Blanket Order No. 3 – Subsection 2(a) (*Bona Fide Debts of Non-control Persons*)

Blanket Order No. 3 – Section 2(b) (Securities of a Cooperative)

Blanket Order No. 3 – Section 2(c) (Trades commenced in reliance on Blanket Order exemptions in effect prior to September 14, 2005)

### **Local Exemptions – Ontario**

#### **Securities Act (Ontario)**

Section 34 (Exemption from registration requirements, advisers)

Section 35 (Exemption from registration requirements, dealers)

Section 35.1 (Exemption from registration requirement, financial institutions)

Section 73 (Exemption)

#### **Regulations**

Ontario Regulation 85/05 *Exemptions respecting the Ontario Financing Authority*

#### **Rules**

Ontario Securities Commission Rule 32-501 *Direct Purchase Plans*

Ontario Securities Commission Rule 35-101 *Conditional Exemption from Registration for United States Broker-Dealers and Agents*

Ontario Securities Commission Rule 35-502 *Non Resident Advisers*

Ontario Securities Commission Rule 35-503 *Trades by Certain Members of The Toronto Stock Exchange*

Ontario Securities Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*

Ontario Securities Commission Rule 91-501 *Strip Bonds*

Ontario Securities Commission Rule 91-502 *Trades in Recognized Options – Rule Under the Securities Act*

Ontario Securities Commission Rule 91-503 *Trades in Commodity Futures Contracts and Commodity Futures Options Entered into on Commodity Futures Exchanges Situate Outside of Ontario – Rule Under the Securities Act*

### **Local Exemptions – Prince Edward Island**

#### **Rules**

Local Rule 45-501 – *Exempt Distributions – Co-operative Associations*

Local Rule 45-502 – *Exempt Distributions – Credit Unions*

Local Rule 45-507 – *Exempt Distributions – Self-Directed Registered Education Savings Plans*

### **Local Exemptions – Québec**

#### **Securities Act (Québec)**

Section 3 (exemptions)

Section 41 (prospectus exemptions)

#### **Securities Regulation (Québec)**

Section 192 (registration exemptions)

**Regulation to amend the Securities Regulation (which came into force on September 28, 2009)**

Section 5 (registration exemption – transition period until December 28, 2009 for former s. 194.2 QSR)

**Derivatives Act (Québec)**

Section 7 (over-the-counter derivatives activities or transactions involving accredited counterparties only or in any other case specified by regulation)

**Regulation to amend the Derivatives Regulation**

Section 11.14 (registration exemption to the extent the person carries on business solely for an accredited counterparty and its activity involves a standardized derivative that is offered primarily outside Québec)

**General exemption decisions**

Decision 2000-C-0699: Registration exemption for dealers in respect of trading at a distance on NASDAQ

Decision 2009-PDG-0007 Registration exemption for dealer and adviser activities relative to derivatives with accredited investors

**Local Exemptions – Saskatchewan**

**General Rulings/Orders**

General Ruling/Order 21-901 *Market Facilitation Activities by Issuers in Their Own Securities*

General Ruling/Order 45-902 *Labour-Sponsored Venture Capital Corporations*

General Ruling/Order 45-912 *Co-operatives and Credit Unions*

General Ruling/Order 45-913 *Capital Accumulation Plans*

General Ruling/Order 45-916 *Solicitations of Expressions of Interest*

General Ruling/Order 72-901 *Trades to Purchasers Outside of Saskatchewan*

General Ruling/Order 91-904 *Government Warrants*

General Ruling/Order 91-905 *Certain Interests in Government Securities*

General Ruling/Order 91-906 *Strip Bonds*

General Ruling/Order 91-907 *Over-the-Counter Derivatives*

**Local Exemptions – Yukon**

**The Securities Act, S.Y. 2007.c.16 (Yukon)**

Section 16 – If the Superintendent of Securities is satisfied that it would not be prejudicial to the public interest, the Superintendent may, by order exempt a person, security, trade, distribution or transaction from all or any provisions of Yukon securities laws.

**Yukon Local Rules**

Local Rule 11-802 – Adopting all CSA Instruments, Forms & Polices as amended and in force on September 28, 2009

Local Rule 12-501 – Exemption for discretionary exemptions applied before March 17, 2008, effective from March 17, 2008

Local Rule 15-501 – Exemption of certain contracts issued by Insurance Companies effective from March 17, 2008

Webpage: <http://www.community.gov.yk.ca/corp/ysorules.html>