

Chapter 6

Request for Comments

6.1.1 Request for Comment - Proposed Amendments to National Instrument 44-101 Short Form Prospectus Distributions, Form 44-101F3 Short Form Prospectus and Companion Policy 44-101CP

REQUEST FOR COMMENT

PROPOSED AMENDMENTS TO NATIONAL INSTRUMENT 44-101 SHORT FORM PROSPECTUS DISTRIBUTIONS, FORM 44-101F3 SHORT FORM PROSPECTUS AND COMPANION POLICY 44-101CP

Introduction

We (the members of the Canadian Securities Administrators (CSA)) are publishing for comment proposed amendments to National Instrument 44-101 *Short Form Prospectus Distributions* (the Instrument). We are also publishing for comment amendments to related forms and amendments to the companion policy.

Additional information on the proposed amendments to the Instrument, required for publication in Ontario, can be found in the form of notice published in the OSC Bulletin or on its Website at www.osc.gov.on.ca.

Substance, Purpose and Background

Subject to ministerial approval, on March 30, 2004, National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (NI 52-107) will be effective. NI 52-107 allows in certain circumstances financial statements to be prepared using foreign generally accepted accounting principles and financial statements to be audited using foreign generally accepted auditing standards. The Instrument requires all financial statements to be prepared using Canadian generally accepted accounting principles and financial statements to be audited using Canadian generally accepted auditing standards. As a result, we are proposing amendments to the Instrument to make it consistent with NI 52-107.

Summary of the Proposed Amendments to the Instrument

The proposed amendments will

- update the definitions in the Instrument,
- delete references to matters that will be dealt with in NI 52-107, and
- basically repeal Part 7 of the Instrument dealing with accounting principles, auditing standards, auditors' reports and other financial statement matters, and replace this part with a reference to NI 52-107.

Alternatives Considered

No other alternatives were considered.

Unpublished Materials

No unpublished study, report, or other written materials were relied on in proposing the amendments to this Instrument.

Anticipated Costs and Benefits

The purpose of the proposed amendments is to eliminate inconsistencies with existing rules and increases the number of acceptable accounting principles and auditing standards. Consequently, the proposed amendments to the Instrument reduce the cost of compliance for issuers and registrants.

Request for Comments

We welcome your comments on the proposed amendments to the Instrument and the Policy.

Please submit your comments in writing on or before April 29, 2004. If you are not sending your comments by email, a diskette containing the submissions (in Windows format, Word) should also be forwarded.

Request for Comments

Address your submission to all of the CSA member commissions, as follows:

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission
Manitoba Securities Commission
Ontario Securities Commission
Office of the Administrator, New Brunswick
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Newfoundland and Labrador Securities Commission
Registrar of Securities, Northwest Territories
Registrar of Securities, Yukon Territory
Registrar of Securities, Nunavut

Deliver your comments **only** to the addressed that follow. Your comments will be forwarded to the remaining CSA member jurisdictions.

John Stevenson
Secretary to the Commission
Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario
Fax: (416) 593-2318
e-mail: jstevenson@osc.gov.on.ca

Denise Brosseau, Secretary
Commission des valeurs mobilières du Québec
Stock Exchange Tower
800 Victoria Square
P.O. Box 246, 22nd Floor
Montreal, Quebec
H4Z 1G3
Fax: (514) 864-6381
e-mail: consultation-en-cours@cvmq.com

We cannot keep submissions confidential because securities legislation in certain provinces requires publication of a summary of the written comments received during the comment period.

Questions

Please refer your questions to any of:

Carla-Marie Hait
Chief Accountant, Corporate Finance
British Columbia Securities Commission
(604) 899-6726 or (800) 373-6393 (if calling from B.C. or Alberta)
chait@bcsc.bc.ca

Michael Moretto
Associate Chief Accountant, Corporate Finance
British Columbia Securities Commission
(604) 899-6767 or (800) 373-6393 (if calling from B.C. or Alberta)
mmoretto@bcsc.bc.ca

Fred Snell
Chief Accountant
Alberta Securities Commission
(403) 297-6553
fred.snell@seccom.ab.ca

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Mavis Legg
Manager, Securities Analysis
Alberta Securities Commission
(403) 297-2663
mavis.legg@seccom.ab.ca

Charlotte Howdle
Securities Analyst
Alberta Securities Commission
(403) 297-2990
charlotte.howdle@seccom.ab.ca

Bob Bouchard
Director, Corporate Finance
Manitoba Securities Commission
(204) 945-2555
bbouchard@gov.mb.ca

Bill Slattery
Deputy Director, Corporate Finance and Administration
Nova Scotia Securities Commission
(902) 424-7355
slattejw@gov.ns.ca

Laura Moschitto
Chief Accountant's Office
Ontario Securities Commission
(416) 593-8217
lmoschitto@osc.gov.on.ca

Rosetta Gagliardi
Conseillère en réglementation
Commission des valeurs mobilières du Québec
(514) 940-2199 ext. 4554
rosetta.gagliardi@cvmq.com

Sylvie Anctil-Bavas, Analyste
Service de l'expertise comptable
Commission des valeurs mobilières du Québec
(514) 940-2199 ext. 4556
sylvie.anctil-bavas@cvmq.com

Eric Boutin
Analyste
Commission des valeurs mobilières du Québec
(514) 940-2199 ext. 4338
eric.boutin@cvmq.com

Ian McIntosh
Deputy Director, Corporate Finance
Saskatchewan Financial Services Commission – Securities Division
(306) 787-5867
imcintosh@sfsc.gov.sk.ca

The text of the proposed amendments to the Instrument follows or can be found elsewhere on a CSA member website.

January 30, 2004.