Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 CSA Notice of Amendments to National Instrument 45-106 Prospectus Exemptions and Change to Companion Policy 45-106CP Prospectus Exemptions relating to Reports of Exempt Distribution

July 19, 2018

Introduction

The Canadian Securities Administrators (CSA or we) are making amendments (the Rule Amendments) to National Instrument 45-106 Prospectus Exemptions (NI 45-106) to amend Form 45-106F1 Report of Exempt Distribution (the Report). We are also making a related change to Companion Policy 45-106CP Prospectus Exemptions (45-106CP).

We refer to the Rule Amendments and the change to 45-106CP collectively as the Revisions.

Provided all necessary ministerial approvals are obtained, the Revisions will come into force on October 5, 2018 in all CSA jurisdictions.

The text of the Rule Amendments is contained in Annex C. A blacklined extract of 45-106CP, incorporating the change to 45-106CP, is contained in Annex D. A blacklined version of the Report, incorporating the Rule Amendments, is contained in Annex E.

Substance and Purpose

Issuers and underwriters who rely on certain prospectus exemptions to distribute securities are required to file the Report within the prescribed timeframe.

The Revisions:

- provide greater clarity and flexibility regarding the certification requirement of the Report while still supporting the regulatory objectives of filed Reports being true and complete, and
- streamline certain information requirements to assist filers in completing the Report while still providing us with the information necessary for oversight and policy development.

The Revisions are primarily intended to address concerns expressed by foreign dealers conducting offerings into Canada and Canadian institutional investors about the unintended effects of the certification requirement and other information requirements in the Report on these offerings. However, we believe the Revisions will be beneficial to all filers.

The Revisions also include minor amendments addressing feedback received by CSA staff following the implementation of the Report, including those comments received during the comment period.
Background

The Report came into force in all CSA jurisdictions on June 30, 2016. The Report replaced both the prior version of Form 45-106F1 Report of Exempt Distribution and Form 45-106F6 British Columbia Report of Exempt Distribution. The Report was intended to:

1) reduce the compliance burden for issuers and underwriters by having harmonized reports of exempt distributions, and
2) provide securities regulators with the necessary information to facilitate more effective regulatory oversight of the exempt market and improve analysis for policy development purposes.

In the spring and summer of 2016, CSA staff became aware of concerns expressed by foreign dealers conducting offerings into Canada, as well as Canadian institutional investors, about the certification requirements and certain information requirements in the Report. Certain Canadian institutional investors noted that they had been excluded from participating in foreign offerings into Canada in part due to dealers’ concerns about the certification of the Report as well as the more extensive information required in the Report.

As a result of these concerns, we provided relief from the requirement to disclose whether a purchaser is a registrant or an insider of the issuer in certain circumstances. This relief was provided by all CSA members, except the Ontario Securities Commission (OSC), by issuing blanket orders effective June 30, 2016. In Ontario, this relief was provided through an Ontario-only amendment to NI 45-106 that came into force on July 29, 2016.

We understand that there continued to be difficulties in respect of the certification, creating unintended complications in respect of access by Canadian institutional investors to foreign investment opportunities. On September 29, 2016, CSA staff issued a revised version of CSA Staff Notice 45-308 (Revised) Guidance for Preparing and Filing Reports of Exempt Distribution under National Instrument 45-106 Prospectus Exemptions (CSA Staff Notice 45-308) that contained new guidance intended to alleviate certain of the concerns raised regarding certification and other matters. We have adopted the Revisions to further address these concerns.

The CSA, other than the British Columbia Securities Commission, published proposed amendments to NI 45-106 relating to the Report (the 2017 Proposal) for a 90-day comment period on June 8, 2017. The British Columbia Securities Commission published the 2017 Proposal for a 60-day comment period on October 4, 2017.

Summary of Written Comments Received by the CSA

The comment period expired in all CSA jurisdictions, except British Columbia, on September 6, 2017. We received 6 written submissions. In British Columbia, the comment period expired on December 4, 2017 and no submissions were received. We have considered the comments received and thank all of the commenters for their input. The names of the commenters are contained in Annex A and a summary of their comments, together with our responses, is contained in Annex B. The comment letters can be viewed on the Autorité des marchés financiers website at www.lautorite.qc.ca and the OSC website at www.osc.gov.on.ca.

Summary of Changes to the 2017 Proposal

After considering the written comments received, we have made the following changes to the 2017 Proposal:

- Certification: We have revised the instructions to clarify that if the Report is being certified by an agent on behalf of an issuer or underwriter, the name of the agent should be provided in the box titled “Name of issuer/underwriter/investment fund manager/agent” and the information for the agent’s certifying individual should be used to complete all other boxes.

- North American Industry Classification Standard (NAICS) code: We have amended Item 5a) of the Report to explicitly request filers to provide the issuer’s NAICS code that in their reasonable judgment most closely corresponds to the issuer’s primary business activity.

- Public listing status: In Item 5g) of the Report, we amended the requirement for non-investment fund issuers to identify the name of the exchange on which the issuer’s securities primarily trade, to provide that this requirement only applies to equity securities. Filers are not required to provide any exchange information pertaining to an issuer’s debt securities.

- Size of assets: We have amended Item 5h) to direct filers to select the size of the issuer’s assets based on its most recently available annual financial statements.
• Distribution by co-issuers: We recognize that there are circumstances where two or more issuers distribute a single security. We have amended NI 45-106 to provide that an issuer or underwriter is not required to file a report for a distribution of securities if a report has been filed by another issuer or underwriter for the distribution of the same security. We have also amended Item 3 of the Report to require that, in these instances, the filer identifies the co-issuers of the security.

• Purchasers’ secondary given names: We have amended paragraph b)3 of Schedule 1 to add the words “(if applicable)” to the requirement for purchasers’ secondary given names.

• Cryptocurrencies and cryptocurrency-related assets: Given the increase in the number of offerings in the exempt market by issuers that invest in cryptoassets, we have amended:
  o Item 5a) of the Report to require filers to identify an issuer whose primary business is to invest all or substantially all of its assets in cryptoassets.
  o Item 6b) of the Report to require filers to identify where the type of investment fund that most accurately identifies an investment fund issuer is a cryptoasset investment fund.

We have also amended the list of security codes in the general instructions of the Report to introduce a new security code “DCT” for distributions of securities involving digital coins or tokens. These changes will allow us to more accurately monitor issuers that invest in cryptocurrencies and cryptocurrency-related assets and to identify distributions of securities involving digital coins or tokens.

The Rule Amendments also clarify certain instructions, including updating the table of security codes in the general instructions of the Report and clarifying Item 7f) of the Report relating to the calculation of the number of purchasers.

Provided all necessary ministerial approvals are obtained, all issuers must use the amended Report for any filings submitted on or after October 5, 2018.

Revision of CSA Staff Notice 45-308

We are publishing concurrently with this Notice a revised version of CSA Staff Notice 45-308 to reflect the Revisions.

Local Matters

Annex F includes, where applicable, additional information that is relevant in a local jurisdiction only.

Annexes

This notice contains the following annexes:

Annex A – List of Commenters

Annex B – Summary of Comments and CSA Responses

Annex C – Amendments to National Instrument 45-106 Prospectus Exemptions

Annex D – Change to Companion Policy 45-106CP Prospectus Exemptions

Annex E – Blackline of Form 45-106F1 Report of Exempt Distribution reflecting the Rule Amendments

Annex F – Local Matters
Questions

Please refer your questions to any of the following:

**Jo-Anne Matear**  
Manager, Corporate Finance Branch  
Ontario Securities Commission  
416-593-2323  
jmatear@osc.gov.on.ca

**Yan Kiu Chan**  
Legal Counsel, Corporate Finance Branch  
Ontario Securities Commission  
416-204-8971  
ychan@osc.gov.on.ca

**Frederick Gerra**  
Legal Counsel, Investment Funds and Structured Products  
Ontario Securities Commission  
416-204-4956  
fgerra@osc.gov.on.ca

**Victoria Steeves**  
Senior Legal Counsel, Corporate Finance  
British Columbia Securities Commission  
604-899-6791  
vsteeves@bcsc.bc.ca

**Christopher Peng**  
Legal Counsel, Corporate Finance  
Alberta Securities Commission  
403-297-4230  
christopher.peng@asc.ca

**Tony Herdzik**  
Deputy Director, Corporate Finance  
Financial and Consumer Affairs Authority of Saskatchewan  
306-787-5849  
tony.herdzik@gov.sk.ca

**Kristina Beauclair**  
Securities Analyst, Corporate Finance  
Autorité des marchés financiers  
514-395-0337 ext: 4397  
kristina.beauclair@lautorite.qc.ca

**Ella-Jane Loomis**  
Senior Legal Counsel, Securities  
Financial and Consumer Services Commission (New Brunswick)  
506-658-2602  
ella-jane.loomis@fcnb.ca

**Steven D. Dowling**  
Acting Director  
Consumer, Labour and Financial Services Division  
Department of Justice and Public Safety  
Government of Prince Edward Island  
902-368-4651  
sddowling@gov.pe.ca

**David Mendicino**  
Senior Legal Counsel, Office of Mergers & Acquisitions  
Ontario Securities Commission  
416-263-3795  
dmendicino@osc.gov.on.ca

**Kevin Yang**  
Senior Research Analyst, Strategy and Operations  
Ontario Securities Commission  
416-204-8983  
kyang@osc.gov.on.ca

**Gloria Tsang**  
Senior Legal Counsel, Compliance and Registrant Regulation Branch  
Ontario Securities Commission  
416-593-8263  
gtsang@osc.gov.on.ca

**Jody-Ann Edman**  
Assistant Manager, Financial Reporting  
British Columbia Securities Commission  
604-899-6698  
jedman@bcsc.bc.ca

**Steven Weimer**  
Team Lead, Compliance, Data & Risk  
Alberta Securities Commission  
403-355-9035  
steven.weimer@asc.ca

**Wayne Bridgeman**  
Deputy Director, Corporate Finance  
Manitoba Securities Commission  
204-945-4905  
wayne.bridgeman@gov.mb.ca

**Suzanne Boucher**  
Senior Analyst, Investment Funds  
Autorité des marchés financiers  
514-395-0337 ext: 4477  
suzanne.boucher@lautorite.qc.ca

**Jack Jiang**  
Securities Analyst, Corporate Finance  
Nova Scotia Securities Commission  
902-424-7059  
jack.jiang@novascotia.ca

**Craig Whalen**  
Manager of Licensing, Registration and Compliance  
Office of the Superintendent of Securities  
Government of Newfoundland and Labrador  
709-729-5661  
cwhalen@gov.nl.ca
Rhonda Horte  
Securities Officer  
Office of the Yukon Superintendent of Securities  
Government of Yukon  
867-667-5466  
rhonda.horte@gov.yk.ca

Thomas W. Hall  
Superintendent of Securities  
Department of Justice  
Government of the Northwest Territories  
867-767-9305  
tom_hall@gov.nt.ca

Jeff Mason  
Superintendent of Securities  
Department of Justice  
Government of Nunavut  
867-975-6591  
jmason@gov.nu.ca
ANNEX A

LIST OF COMMENTERS

1. Blake, Cassels & Graydon LLP, Davies Ward Phillips & Vineberg LLP, McCarthy Tétrault LLP, Osler, Hoskin & Harcourt LLP and Stikeman Elliott LLP

2. Canadian Foundation for Advancement of Investor Rights

3. Norton Rose Fulbright Canada LLP

4. RP Investment Advisors LP

5. Securities Industry and Financial Markets Association (SIFMA)

6. Stikeman Elliott LLP
ANNEX B
SUMMARY OF COMMENTS AND CSA RESPONSES

This Annex summarizes the comments we received and our responses to those comments.

<table>
<thead>
<tr>
<th>No.</th>
<th>Topic</th>
<th>Comments</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General</td>
<td>Most commenters expressed support for the proposed amendments. A commenter noted that the proposed amendments address many of the issues they have observed and especially those raised by foreign dealers who underwrite and distribute new securities in Canada. Two commenters noted that the reduced regulatory burden that would result from the implementation of the proposed amendments would facilitate more efficient capital raising in the Canadian exempt market. Another commenter expressed appreciation for the CSA’s efforts to be responsive about the unintended effects of the certification requirement and other information requirements in the report.</td>
<td>We acknowledge these comments of support and thank the commenters.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Exempt market oversight</td>
<td>One commenter expressed concern about the CSA’s overall regulatory focus relating to the exempt market and suggested that the proposed amendments focus on alleviating regulatory burden for exempt market participants rather than taking action to respond to problems associated with the exempt market.</td>
<td>Monitoring activities related to raising capital in the exempt market, including from retail investors, remains a primary focus of our compliance and oversight programs. The amendments to the report, for the most part, are intended to address concerns in respect of exempt offerings involving Canadian institutional investors. Additionally, the CSA’s compliance and oversight programs monitor firms and issuers who rely on prospectus exemptions. Where necessary, guidance is provided to filers to assist them to understand and apply the provisions of these prospectus exemptions and to help them meet their regulatory obligations.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Certification [Item 10]</td>
<td>One commenter noted that the proposed revised certification wording is a significant improvement over the existing wording in that it expressly recognizes the existence of a due diligence defence and it contains a knowledge qualifier. Another commenter noted that clarifying and introducing greater flexibility with respect to the certification requirements will help alleviate various concerns that dealers have expressed.</td>
<td>We acknowledge these comments of support and thank the commenters.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Support for proposed certification amendments</td>
<td>Two commenters suggested additional language to further clarify that the individual certifying the report is doing so on behalf of the filer and not in his or her own personal capacity.</td>
<td>The certification already includes language that the certifying individual is certifying “on behalf of” the issuer, underwriter or investment fund manager. Further guidance is provided at item #22 of Annex 3 of CSA Staff Notice 45-308 (Revised) Guidance for Preparing and Filing Reports of Exempt Distribution under National Instrument 45-106</td>
</tr>
<tr>
<td></td>
<td>Clarification that certifying individual is not certifying in his or her personal capacity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>Topic</td>
<td>Comments</td>
<td>Responses</td>
</tr>
<tr>
<td>-----</td>
<td>-------</td>
<td>----------</td>
<td>-----------</td>
</tr>
<tr>
<td>5.</td>
<td>Guidance on reasonable diligence</td>
<td>A commenter suggested that the words “exercise reasonable diligence” be replaced with “made reasonable inquiries with respect to information outside my personal knowledge” to clarify the expectation on the certifying individual’s due diligence investigation regarding information required to complete the report.</td>
<td>The knowledge qualifier is worded to align with the due diligence defence under the securities legislation of most jurisdictions, which provides a defence to liability based on the person or company’s knowledge after exercising reasonable diligence. What constitutes reasonable diligence will depend on the circumstances. For example, guidance is provided at item #9.1 of Annex 3 of CSA Staff Notice 45-308 on the reasonable steps an underwriter filing a report should undertake to obtain and confirm the required information regarding the issuer.</td>
</tr>
<tr>
<td>6.</td>
<td>Clarification when an authorized agent certifies the report</td>
<td>A commenter asked for clarification on how to fill out the boxes titled &quot;Name of issuer/underwriter/investment fund manager/agent&quot; and &quot;full legal name&quot; where a dealer has engaged a law firm to assist it in preparing and filing the required reports.</td>
<td>We have revised the instructions to clarify the certification in circumstances where the report is being certified by an agent on behalf of the issuer or underwriter. If a law firm is preparing and certifying a report on behalf of the issuer or underwriter, provide the full name of the law firm in the box titled &quot;Name of issuer/underwriter/investment fund manager/agent&quot; and provide the full name of the individual at the law firm certifying the report in the box titled &quot;Full legal name&quot;.</td>
</tr>
<tr>
<td>7.</td>
<td>Authority of delegation to agent</td>
<td>One commenter suggested the certification be amended to expressly confirm the authority of the agent to act on behalf of and bind the issuer.</td>
<td>Item 10 of the report states that the certification may be delegated only to an agent that has been authorized by an officer or director of the issuer or underwriter. We do not think the proposed amendment is necessary. The authority of an agent to act on behalf of an issuer or underwriter is governed by the relationship between the issuer or underwriter and its agent.</td>
</tr>
</tbody>
</table>

**Information Requirements**

<p>| 8. | Public listing status [Items 5(g) and 6(e)] | One commenter suggested amendments so that the name of the exchange on which the issuer’s “equity” securities primarily trade be required. Additionally, the commenter suggested that if only debt securities of the issuer trade on an exchange, it should be allowed to name “any” exchange on which they trade. | With respect to an issuer’s equity securities, we have amended the requirement to identify the name of the exchange on which an issuer’s securities primarily trade to apply to equity securities only. We recognize that identifying the exchanges on which an issuer’s debt securities are listed may be problematic for filers given both the nature of debt and how debt is traded. We have amended the requirement in the report so that filers are not required to provide any exchange information pertaining to an issuer’s debt securities. |
| 9. | Support for proposed amendment to allow issuers distributing securities to non- | Three commenters were supportive of the proposed amendment to permit filers to select NIPC which, in their view, will reduce a significant compliance burden associated with the report. One commenter supported the | We acknowledge these comments of support and thank the commenters. This amendment is limited to NIPC in order to address concerns in respect of offerings involving Canadian institutional investors. |</p>
<table>
<thead>
<tr>
<th>No.</th>
<th>Topic</th>
<th>Comments</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>individual permitted clients (NIPC) to indicate this</td>
<td>proposed amendment, but believed it should apply to all permitted clients, not just non-individuals.</td>
<td></td>
</tr>
<tr>
<td>[Schedule 1]</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Other Proposed Amendments**

| 10.  | Support for proposed amendments to reflect Blanket Order Relief      | One commenter supported the proposed amendment to subsection f) of Schedule 1 which allows permitted foreign issuers to omit information regarding whether a purchaser is an insider or a registrant. | We acknowledge this comment of support and thank the commenter. |

**Other Comments on the Report – Not Directly Related to Proposed Amendments**

| 11.  | Determining jurisdiction of distribution                            | One commenter suggested that additional guidance be added in the report as to how an issuer is to determine whether a distribution is considered to have taken place in a particular jurisdiction. Another commenter suggested that the report be amended so that the inclusion of information regarding purchasers outside Canada in Item 7 and Schedule 1 is not required under any circumstances, no matter which province the issuer is located in. | Guidance on where the issuer is required to file the report is provided at item #1 of Annex 3 of CSA Staff Notice 45-308. Issuers and underwriters should refer to applicable securities legislation, securities directions and case law to determine whether a distribution has taken place in a local jurisdiction. The suggested amendment is beyond the scope of this project. |

| 12.  | Co-issuers                                                          | One commenter proposed the adoption of a “primary” issuer concept to address the issues of: (1) duplicative reporting, where two or more co-issuers are offering the same security, and (2) inaccurate and incomplete issuer information, where the information collected in Item 5 does not correspond to the information that investors would rely upon when making their investment decision. | We agree with the commenter that in circumstances where two or more issuers distribute a single security, only one report of exempt distribution should be required to be filed for the distribution, and that any one of the co-issuers should be permitted to file the report. We have amended National Instrument 45-106 Prospectus Exemptions to provide that an issuer or underwriter is not required to file a report for a distribution of a security if a report has been filed by another issuer or underwriter for the distribution for the same security. We have also amended Item 3 of the report to require that, in these instances, filers identify the co-issuers of the security distributed. |

| 13.  | Benefit of the information being requested is greater than the burden it may impose on filers | Some commenters requested the CSA reconsider some of the required disclosure introduced in the 2016 implementation of the report and questioned whether the benefit of the information requested justifies the burden imposed on filers. | We have streamlined certain information requirements in the report to further alleviate the burden it may impose on filers. Overall, we believe the report strikes an appropriate balance between the information needs of the CSA to support its compliance oversight and policy-making functions and the regulatory burden imposed on filers. |

| 14.  | NAICS industry code                                                 | Two commenters questioned the meaningfulness and usefulness of the NAICS industry code information requirement, noting that the identification of an issuer’s NAICS industry code requires filers to exercise a significant amount of judgment and may result in inconsistency of classification. One of these commenters suggesting revising the instructions | Using a comprehensive and standardized industry classification system enables us to better understand exempt market activity and to inform our policy making function as regulators. We continue to believe the NAICS industry code is the most appropriate classification system for the purposes of the report. Based on our review of reports filed to date, we have not observed any significant |
No. | Topic | Comments | Responses
--- | --- | --- | ---
<p>| | to clarify that filers ought to use their best judgment. | inconsistencies in the NAICS industry code submitted across filers from similar industries. We have amended item 5(a) to explicitly require filers to provide the issuer’s NAICS industry code that in their reasonable judgment most closely corresponds to the issuer’s primary business activity. Item #7 of Annex 3 of CSA Staff Notice 45-308 provides guidance that the filer should use its reasonable judgment to determine the NAICS industry code that most closely matches the issuer’s primary business activity. |
| 15. | Date of formation [Items 5(e) and 6(c)] | One commenter noted that the exact month and day of formation, which otherwise generally is not required disclosure for a non-reporting issuer, is often very difficult to obtain. | The requirement to provide the exact month and day of formation is consistent with the requirement for issuers that have a SEDAR profile. We understand that this information can be obtained through the issuer, and we believe this information would generally not be unduly difficult to obtain. |
| 16. | CUSIP number [Items 5(g) and 6(e)] | One commenter noted that many issuers have multiple CUSIP numbers and believed the CUSIP number the CSA requires filers to disclose in these sections is the CUSIP number for the issuer’s common shares and not the CUSIP number for the particular securities described in the report. | We do not believe a clarifying instruction is necessary. Items 5(g) and 6(e) ask for the first 6 digits of the issuer’s CUSIP number and these 6 digits will be the same for all securities of the issuer. |
| 17. | Size of issuer’s assets [Item 5(h)] | One commenter suggested that the requirement to disclose the size of the issuer’s assets for its most recent financial year-end be revised to allow the filer to provide the required information based on the most recently available financial statements. | We have amended the instruction to direct filers to select the size of the issuer’s assets “based on its most recently available annual financial statements” to provide clarity to issuers who have completed a financial year end but have not yet prepared their annual financial statements. |
| 18. | Net proceeds to the investment fund [Item 7(g)] | One commenter asked that the CSA consider revising the requirements of Item 7(g) because the requirements are burdensome for most alternative fund managers and some issuers consider such data to be highly confidential and commercially sensitive. | Information about the fund on a net proceeds basis is vital to our understanding of investment funds distributing in the exempt market. Also, in certain jurisdictions, the reporting of net proceeds is required as part of the calculation of fees payable for reports of exempt distribution. We understand that fund managers consistently track the purchases and redemptions of their funds. Therefore, we do not believe it is burdensome to report net proceeds. |
| 19. | Whether the person compensated is a registrant [Item 8(a)] | One commenter suggested that the question “Indicate whether the person compensated is a registrant” be amended to “Indicate whether the person compensated has an NRD number” to better address international dealers who, technically, are not registrants but have an NRD number. | If a person compensated is relying on the “international dealer exemption” or the “international adviser exemption” (as set out in section 8.18 and in section 8.26, respectively, of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations), the filer should respond “no” to the first question in Item 8(a) asking whether the person... |</p>
<table>
<thead>
<tr>
<th>No.</th>
<th>Topic</th>
<th>Comments</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>20.</td>
<td>Residential address of directors, executive officers, promoters and control persons of the issuer [Item 9(c) and Schedule 2, paragraph c)]</td>
<td>One commenter suggested eliminating the requirement to provide residential addresses for directors, executive officers, promoters and control persons of the issuer citing that an issuer may not necessarily have the information available and privacy issues in certain jurisdictions with disclosing residential addresses.</td>
<td>Residential address information has proven an effective means of locating and contacting individuals and is used to support our compliance functions. We believe this information would not be unduly difficult to obtain. Information collected in Schedule 2 is not on the public record of any CSA member. The release of this information through a freedom of information request is governed by freedom of information legislation in place in each CSA jurisdiction.</td>
</tr>
<tr>
<td>21.</td>
<td>Purchasers’ secondary given names [Schedule 1, paragraph b)3]</td>
<td>One commenter suggested that purchasers’ secondary given names should only be required to the extent that they are applicable and available.</td>
<td>To the extent that purchasers’ secondary given names are provided to the issuer, they should be disclosed in the report. We have amended the requirement for secondary given names to add the words &quot;(if applicable)&quot;.</td>
</tr>
<tr>
<td>22.</td>
<td>Alberta specific comments</td>
<td>Two comments were received that are specific to Alberta, addressing distributions outside the jurisdiction and additional prospectus exemptions in Alberta.</td>
<td>The comments are outside the scope of this project, and we have referred them to the appropriate staff at the ASC who are currently reviewing Alberta’s approach to distributions outside the jurisdiction.</td>
</tr>
</tbody>
</table>
ANNEX C

AMENDMENTS TO
NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS


2. Section 6.2 is amended by adding the following subsection:

(3) An issuer or underwriter is not required to file a report under section 6.1 for a distribution of a security if a report has been filed by another issuer or underwriter for the distribution of the same security.

3. Subsection 7.1(3) is amended by adding “Alberta and” before “Ontario”.

4. Form 45-106F1 Report of Exempt Distribution is amended

(a) in section 1, under the heading “A. General Instructions”, by adding the following after “The issuer or underwriter must file the report in a jurisdiction of Canada if the distribution occurs in the jurisdiction”:

“and the issuer or underwriter is relying on a specific exemption from the prospectus requirement set out in section 6.1 of the Instrument. The requirement to file this report might also be a condition of a prospectus exemption provided in a national, multilateral or local rule or instrument, or a condition of an exemptive relief order”;

(b) in section 4, under the heading “A. General Instructions”, by adding the following paragraph at the end:

“Joint purchasers may be treated as one purchaser for the purposes of Item 7(f) of this form.”;

(c) in section 9, under the heading “A. General Instructions”:

(i) by deleting “noon” wherever it occurs,

(ii) by replacing “recent closing” with “recent daily”, and

(iii) by deleting “If the Bank of Canada no longer publishes a daily noon exchange rate and closing exchange rate, convert foreign currency using the daily single indicative exchange rate of the Bank of Canada in the same manner described in each of the three scenarios above.”;

(d) by replacing section 12 under the heading “A. General Instructions” with the following:

12. Security codes

Wherever this form requires disclosure of the type of security, use the following security codes:

<table>
<thead>
<tr>
<th>Security code</th>
<th>Security type</th>
</tr>
</thead>
<tbody>
<tr>
<td>BND</td>
<td>Bonds</td>
</tr>
<tr>
<td>CER</td>
<td>Certificates</td>
</tr>
<tr>
<td>CMS</td>
<td>Common shares</td>
</tr>
<tr>
<td>CVD</td>
<td>Convertible debentures</td>
</tr>
<tr>
<td>CVN</td>
<td>Convertible notes</td>
</tr>
<tr>
<td>CVP</td>
<td>Convertible preferred shares</td>
</tr>
<tr>
<td>DCT</td>
<td>Digital coins or tokens</td>
</tr>
<tr>
<td>DEB</td>
<td>Debentures</td>
</tr>
<tr>
<td>DRS</td>
<td>Depository receipts</td>
</tr>
<tr>
<td>FTS</td>
<td>Flow-through shares</td>
</tr>
<tr>
<td>FTU</td>
<td>Flow-through units</td>
</tr>
<tr>
<td>Security code</td>
<td>Security type</td>
</tr>
<tr>
<td>---------------</td>
<td>--------------</td>
</tr>
<tr>
<td>LPU</td>
<td>Limited partnership units and limited partnership interests <em>(including capital commitments)</em></td>
</tr>
<tr>
<td>MTG</td>
<td>Mortgages <em>(other than syndicated mortgages)</em></td>
</tr>
<tr>
<td>NOT</td>
<td>Notes <em>(include all types of notes except convertible notes)</em></td>
</tr>
<tr>
<td>OPT</td>
<td>Options</td>
</tr>
<tr>
<td>PRS</td>
<td>Preferred shares</td>
</tr>
<tr>
<td>RTS</td>
<td>Rights</td>
</tr>
<tr>
<td>SMG</td>
<td>Syndicated mortgages</td>
</tr>
<tr>
<td>SUB</td>
<td>Subscription receipts</td>
</tr>
<tr>
<td>UBS</td>
<td>Units of bundled securities <em>(such as a unit consisting of a common share and a warrant)</em></td>
</tr>
<tr>
<td>UNT</td>
<td>Units <em>(exclude units of bundled securities, include trust units and mutual fund units)</em></td>
</tr>
<tr>
<td>WNT</td>
<td>Warrants <em>(including special warrants)</em></td>
</tr>
<tr>
<td>OTH</td>
<td>Other securities not included above <em>(if selected, provide details of security type in Item 7d)</em></td>
</tr>
</tbody>
</table>

**e)** by adding the following section under the heading “A. General Instructions”:

13. **Distributions by more than one issuer of a single security**

If two or more issuers distributed a single security, provide the full legal names of the co-issuers in Item 3.

**f)** by adding the following under the heading “B. Terms used in the form” before “permitted client”:

“NRD” means National Registration Database;

**g)** by replacing the portion of the form that follows the text under the heading “B. Terms used in the form” and precedes Item 5 of the form with the following:
**Form 45-106F1 Report of Exempt Distribution**

**ITEM 1 – REPORT TYPE**

- [ ] New report
- [ ] Amended report

If amended, provide filing date of report that is being amended. [YYYY-MM-DD]

**ITEM 2 – PARTY CERTIFYING THE REPORT**

Indicate the party certifying the report (select only one). For guidance regarding whether an issuer is an investment fund, refer to section 1.1 of National Instrument 81-106 Investment Fund Continuous Disclosure and the companion policy to NI 81-106.

- [ ] Investment fund issuer
- [ ] Issuer (other than an investment fund)
- [ ] Underwriter

**ITEM 3 – ISSUER NAME AND OTHER IDENTIFIERS**

Provide the following information about the issuer, or if the issuer is an investment fund, about the fund.

- Full legal name
- Previous full legal name
  - If the issuer’s name changed in the last 12 months, provide most recent previous legal name.
- Website (if applicable)

If the issuer has a legal entity identifier, provide below. Refer to Part B of the Instructions for the definition of “legal entity identifier”.

- Legal entity identifier

If two or more issuers distributed a single security, provide the full legal name(s) of the co-issuer(s) other than the issuer named above.

- Full legal name(s) of co-issuer(s) (if applicable)

**ITEM 4 – UNDERWRITER INFORMATION**

If an underwriter is completing the report, provide the underwriter’s full legal name and firm NRD number.

- Full legal name
- Firm NRD number (if applicable)

If the underwriter does not have a firm NRD number, provide the head office contact information of the underwriter.

- Street address
- Municipality
- Country
- Telephone number (if applicable)
- Province/State
- Postal code/Zip code
- Website (if applicable)
(h) **in Item 5(a), by adding** “in your reasonable judgment most closely” **before** “corresponds to the issuer’s primary business activity”;

(i) **in Item 5(a), by deleting** “For more information on finding NAICS industry code go to Statistics Canada’s NAICS industry search tool.”;

(j) **in Item 5(a), by adding** “☐ Cryptoassets” **after** “☐ Private companies”;

(k) **in Item 5(g), by replacing** “If the issuer is publicly listed, provide the names of all exchanges on which its securities are listed. Include only the names of exchanges for which the issuer has applied for and received a listing, which excludes, for example, automated trading systems.” **with** “If the issuer is publicly listed, provide the name of the exchange on which the issuer’s equity securities primarily trade. Provide only the name of an exchange and not a trading facility such as, for example, an automated trading system.”;

(l) **in Item 5(g), by replacing** “Exchange names” **with** “Exchange name”;

(m) **in Item 5(h), by replacing** “Select the size of the issuer’s assets for its most recent financial year-end (Canadian $). If the issuer has not existed for a full financial year, provide the size of the issuer’s assets at the distribution end date.” **with** “Select the size of the issuer’s assets based on its most recently available annual financial statements (Canadian $). If the issuer has not prepared annual financial statements for its first financial year, provide the size of the issuer’s assets at the distribution end date.”;

(n) **in Item 6(b), by adding** “☐ Cryptoasset” **after** “☐ Alternative strategies”;

(o) **in Item 6(e), by replacing** “If the investment fund is publicly listed, provide the names of all exchanges on which its securities are listed. Include only the names of exchanges for which the investment fund has applied for and received a listing, which excludes, for example, automated trading systems.” **with** “If the investment fund is publicly listed, provide the name of the exchange on which the investment fund’s securities primarily trade. Provide only the name of an exchange and not a trading facility such as, for example, an automated trading system.”;

(p) **in Item 6(e), by replacing** “Exchange names” **with** “Exchange name”;

(q) **in Item 7, by adding** “in connection with the distribution” **after** “or finder’s fees”;

(r) **in Item 7, by replacing** “should” **with** “must”;

(s) **in Item 7(d), by replacing** “Provide the following information for all distributions that take place in a jurisdiction of Canada on a per security basis. Refer to Part A of the Instructions for how to indicate the security code.” **with** “Provide the following information for all distributions reported on a per security basis. Refer to Part A(12) of the Instructions for how to indicate the security code.”;

(t) **in Item 7(e), by replacing** “Security code” **with** “Convertible/exchangeable security code”;

---

July 19, 2018

(2018), 41 OSCB 5799
(u) by replacing Item 7(f) with the following:

<table>
<thead>
<tr>
<th>Province or country</th>
<th>Exemption relied on</th>
<th>Number of unique purchasers&lt;sup&gt;2a&lt;/sup&gt;</th>
<th>Total amount (Canadian $)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total dollar amount of securities distributed</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total number of unique purchasers&lt;sup&gt;2b&lt;/sup&gt;</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>2a</sup>In calculating the number of unique purchasers per row, count each purchaser only once. Joint purchasers may be counted as one purchaser.

<sup>2b</sup>In calculating the total number of unique purchasers to which the issuer distributed securities, count each purchaser only once, regardless of whether the issuer distributed multiple types of securities to, and relied on multiple exemptions for, that purchaser.

(v) in Item 9, by replacing “(select all that apply)” with “(select the one that applies – if more than one applies, select only one)”;

(w) in Item 9, by replacing “Issuer distributing eligible foreign securities only to permitted clients” with “Issuer distributing only eligible foreign securities and the distribution is to permitted clients only”;
(x) by replacing Item 10 with the following:

**ITEM 10 – CERTIFICATION**

Provide the following certification and business contact information of an officer, director or agent of the issuer or underwriter. If the issuer or underwriter is not a company, an individual who performs functions similar to that of a director or officer may certify the report. For example, if the issuer is a trust, the report may be certified by the issuer’s trustee. If the issuer is an investment fund, a director or officer of the investment fund manager (or, if the investment fund manager is not a company, an individual who performs similar functions) may certify the report if the director or officer has been authorized to do so by the investment fund.

The certification may be delegated, but only to an agent that has been authorized by an officer or director of the issuer or underwriter to prepare and certify the report on behalf of the issuer or underwriter. If the report is being certified by an agent on behalf of the issuer or underwriter, provide the applicable information for the agent in the boxes below.

If the individual completing and filing the report is different from the individual certifying the report, provide the name and contact details for the individual completing and filing the report in Item 11.

The signature on the report must be in typed form rather than handwritten form. The report may include an electronic signature provided the name of the signatory is also in typed form.

Securities legislation requires an issuer or underwriter that makes a distribution of securities under certain prospectus exemptions to file a completed report of exempt distribution.

By completing the information below, I certify, on behalf of the issuer/underwriter/investment fund manager, to the securities regulatory authority or regulator, as applicable, that I have reviewed this report and to my knowledge, having exercised reasonable diligence, the information provided in this report is true and, to the extent required, complete.

<table>
<thead>
<tr>
<th>Name of issuer/underwriter/ investment fund manager/agent</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Full legal name</td>
<td></td>
</tr>
<tr>
<td>Family name</td>
<td>First given name</td>
</tr>
<tr>
<td>Title</td>
<td></td>
</tr>
<tr>
<td>Telephone number</td>
<td>Email address</td>
</tr>
<tr>
<td>Signature</td>
<td>Date</td>
</tr>
</tbody>
</table>

(y) in paragraph b) of Schedule 1, by adding the following under the heading “b) Legal name of purchaser” and before “1. Family name”:

If two or more individuals have purchased a security as joint purchasers, provide information for each purchaser under the columns for family name, first given name and secondary given names, if applicable, and separate the individuals’ names with an ampersand. For example, if Jane Jones and Robert Smith are joint purchasers, indicate “Jones & Smith” in the family name column;

(z) in paragraph b) of Schedule 1, by adding “(if applicable)” after “3. Secondary given names”;

(aa) in paragraph e)2 of Schedule 1, by replacing “(select only one)” with “(select only one – if the purchaser is a permitted client that is not an individual, “NIPC” can be selected instead of the paragraph number)”;

(bb) except in Ontario, in Schedule 1, by adding the following below the heading “f) Other information” and before “1. Is the purchaser a registrant? (Y/N)”:

Paragraphs f)1. and f)2. do not apply if any of the following apply:

(a) the issuer is a foreign public issuer;
(b) the issuer is a wholly owned subsidiary of a foreign public issuer;
(c) the issuer is distributing only eligible foreign securities and the distribution is to permitted clients only;
in Ontario, in paragraph f) of Schedule 1, by replacing “In Ontario, clauses (f)1. and (f)2. do not apply if one or more of the following apply:” with “Paragraphs f)1. and f)2. do not apply if any of the following apply”; 

in Ontario, in paragraph f) of Schedule 1, by replacing “the issuer is distributing eligible foreign securities only to permitted clients” with “the issuer is distributing only eligible foreign securities and the distribution is to permitted clients only”; 

by deleting paragraph f)3 of Schedule 1 and replacing it with the following:

3. Full legal name of person compensated for distribution to purchaser. If a person compensated is a registered firm, provide the firm NRD number only. (Note: the names must be consistent with the names of the persons compensated as provided in Item 8.); 

in Schedule 1, under the heading “INSTRUCTIONS FOR SCHEDULE 1”, by replacing “needs to” with “must”; and 

by replacing the portion of the Form after the heading “Questions:” with the following:

Refer any questions to:

Alberta Securities Commission
Suite 600, 250 – 5th Street SW
Calgary, Alberta T2P 0R4
Telephone: 403-297-6454
Toll free in Canada: 1-877-355-0585
Facsimile: 403-297-2082
Public official contact regarding indirect collection of information: FOIP Coordinator

British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Inquiries: 604-899-6854
Toll free in Canada: 1-800-373-6393
Facsimile: 604-899-6581
Email: FOI-privacy@bsc.bc.ca
Public official contact regarding indirect collection of information: FOI Inquiries

The Manitoba Securities Commission
500 – 400 St. Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: 204-945-2561
Toll free in Manitoba: 1-800-655-5244
Facsimile: 204-945-0330
Public official contact regarding indirect collection of information: Director

Financial and Consumer Services Commission (New Brunswick)
85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Telephone: 506-658-3060
Toll free in Canada: 1-866-933-2222
Facsimile: 506-658-3059
Email: info@fcnb.ca
Public official contact regarding indirect collection of information: Chief Executive Officer and Privacy Officer
Government of Newfoundland and Labrador
Financial Services Regulation Division
P.O. Box 8700
Confederation Building
2nd Floor, West Block
Prince Philip Drive
St. John’s, Newfoundland and Labrador A1B 4J6
Attention: Director of Securities
Telephone: 709-729-4189
Facsimile: 709-729-6187
Public official contact regarding indirect collection of information: Superintendent of Securities

Government of the Northwest Territories
Office of the Superintendent of Securities
P.O. Box 1320
Yellowknife, Northwest Territories X1A 2L9
Telephone: 867-767-9305
Facsimile: 867-873-0243
Public official contact regarding indirect collection of information: Superintendent of Securities

Nova Scotia Securities Commission
Suite 400, 5251 Duke Street
Duke Tower
P.O. Box 458
Halifax, Nova Scotia B3J 2P8
Telephone: 902-424-7768
Facsimile: 902-424-4625
Public official contact regarding indirect collection of information: Executive Director

Government of Nunavut
Department of Justice
Legal Registries Division
P.O. Box 1000, Station 570
1st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: 867-975-6590
Facsimile: 867-975-6594
Public official contact regarding indirect collection of information: Superintendent of Securities

Ontario Securities Commission
20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Telephone: 416-593-8314
Toll free in Canada: 1-877-785-1555
Facsimile: 416-593-8122
Email: exemptmarketfilings@osc.gov.on.ca
Public official contact regarding indirect collection of information: Inquiries Officer

Prince Edward Island Securities Office
95 Rochford Street, 4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: 902-368-4569
Facsimile: 902-368-5283
Public official contact regarding indirect collection of information: Superintendent of Securities
5. This Instrument comes into force on October 5, 2018.
ANNEX D

CHANGE TO COMPANION POLICY 45-106CP PROSPECTUS EXEMPTIONS

The Canadian Securities Administrators are publishing a change to Companion Policy 45-106CP Prospectus Exemptions (45-106CP). The change comes into effect on the implementation of the Rule Amendments. This Annex shows, by way of blackline, the change to the relevant portion of 45-106CP.

PART 5 – FORMS

5.1 Report of exempt distribution

(1) Requirement to file

An issuer that has distributed a security of its own issue under any of the prospectus exemptions listed in section 6.1 of NI 45-106 is required to file a report of exempt distribution, on or before the 10th day after the distribution. Alternatively, if an underwriter distributes securities acquired under section 2.33 of NI 45-106, either the issuer or the underwriter may complete and file the form. If there is a syndicate of underwriters, the lead underwriter may file the form on behalf of the syndicate or each underwriter may file a form relating to the portion of the distribution it was responsible for. In certain circumstances, two or more issuers distribute a single security. In these circumstances, only one report of exempt distribution is required to be filed for the distribution, which may be completed and filed by any one of the co-issuers. The required form of report is Form 45-106F1 Report of Exempt Distribution. In determining if it is required to file a report in a particular jurisdiction, the issuer or underwriter should consider the following questions:

(a) Is there a distribution in the jurisdiction? (Please refer to the securities legislation and securities directions of the jurisdiction for guidance, if any, on when a distribution occurs in the jurisdiction.)

(b) If there is a distribution in the jurisdiction, what exemption from the prospectus requirement is the issuer relying on for the distribution of the security?

(c) Does the exemption referred to in paragraph (b) trigger a reporting requirement? (Reports of exempt distribution are required for distributions made in reliance on the prospectus exemptions listed in section 6.1 of NI 45-106, Multilateral Instrument 45-108 Crowdfunding and certain local rules and orders.

A distribution may occur in more than one jurisdiction. In this case, the issuer may complete a single report identifying all purchasers, and file the report in each Canadian jurisdiction where the distribution has occurred.

[Editor’s Note: Annex E follows on separately numbered pages. Bulletin pagination resumes with Annex F.]
This page intentionally left blank
ANNEX E

BLACKLINE OF FORM 45-106F1 REPORT OF EXEMPT DISTRIBUTION
REFLECTING THE AMENDMENTS

This is a blackline showing amendments to the Form 45-106F1 against the version that was adopted by the CSA on June 30, 2016.

The existing Ontario version of the Report differs from the June 30, 2016 CSA version, as the substance of the new italicized text immediately before the questions in paragraph f) of Schedule 1 of the Report was added by way of an Ontario-only amendment that came into force on July 29, 2016.

Form 45-106F1 Report of Exempt Distribution

A. General Instructions

1. Filing instructions

An issuer or underwriter that is required to file a report of exempt distribution and pay the applicable fee must file the report and pay the fee as follows:

- **In British Columbia** – through BCSC eServices at http://www.bccs.bc.ca.
- **In Ontario** – through the online e-form available at http://www.osc.gov.on.ca.
- **In all other jurisdictions** – through the System for Electronic Document Analysis and Retrieval (SEDAR) in accordance with National Instrument 13-101 System for Electronic Document Analysis and Retrieval (SEDAR) if required, or otherwise with the securities regulatory authority or regulator, as applicable, in the applicable jurisdictions at the addresses listed at the end of this form.

The issuer or underwriter must file the report in a jurisdiction of Canada if the distribution occurs in the jurisdiction, and the issuer or underwriter is relying on a specific exemption from the prospectus requirement set out in section 6.1 of the Instrument. The requirement to file this report might also be a condition of a prospectus exemption provided in a national, multilateral or local rule or instrument, or a condition of an exemptive relief order. If a distribution is made in more than one jurisdiction of Canada, the issuer or underwriter may satisfy its obligation to file the report by completing a single report identifying all purchasers, and file the report in each jurisdiction of Canada in which the distribution occurs. Filing fees payable in a particular jurisdiction are not affected by identifying all purchasers in a single report.

In order to determine the applicable fee in a particular jurisdiction of Canada, consult the securities legislation of that jurisdiction.

2. Issuers located outside of Canada

If an issuer located outside of Canada determines that a distribution has taken place in a jurisdiction of Canada, include information about purchasers resident in that jurisdiction only.

3. Multiple distributions

An issuer may use one report for multiple distributions occurring within 10 days of each other, provided the report is filed on or before the 10th day following the first distribution date. However, an investment fund issuer that is relying on the exemptions set out in subsection 6.2(2) of NI 45-106 may file the report annually in accordance with that subsection.

4. References to purchaser

References to a purchaser in this form are to the beneficial owner of the securities.
However, if a trust company, trust corporation, or registered adviser described in paragraph (p) or (q) of the definition of “accredited investor” in section 1.1 of NI 45-106 has purchased the securities on behalf of a fully managed account, provide information about the trust company, trust corporation or registered adviser only; do not include information about the beneficial owner of the fully managed account.

*Joint purchasers may be treated as one purchaser for the purposes of Item 7(f) of this form.*

5. **References to issuer**

References to “issuer” in this form include an investment fund issuer and a non-investment fund issuer, unless otherwise specified.

6. **Investment fund issuers**

If the issuer is an investment fund, complete Items 1-3, 6-8, 10, 11 and Schedule 1 of this form.

7. **Mortgage investment entities**

If the issuer is a mortgage investment entity, complete all applicable items of this form other than Item 6.

8. **Language**

The report must be filed in English or in French. In Québec, the issuer or underwriter must comply with linguistic rights and obligations prescribed by Québec law.

9. **Currency**

All dollar amounts in the report must be in Canadian dollars. If the distribution was made or any compensation was paid in connection with the distribution in a foreign currency, convert the currency to Canadian dollars using the daily noon exchange rate of the Bank of Canada on the distribution date. If the distribution date occurs on a date when the daily noon exchange rate of the Bank of Canada is not available, convert the currency to Canadian dollars using the most recent closing daily exchange rate of the Bank of Canada available before the distribution date. For investment funds in continuous distribution, convert the currency to Canadian dollars using the average daily noon exchange rate of the Bank of Canada for the distribution period covered by the report.

*If the Bank of Canada no longer publishes a daily noon exchange rate and closing exchange rate, convert foreign currency using the daily single indicative exchange rate of the Bank of Canada in the same manner described in each of the three scenarios above.*

*If the distribution was not made in Canadian dollars, provide the foreign currency in Item 7(a) of the report.*

10. **Date of information in report**

Unless otherwise indicated in this form, provide the information as of the distribution end date.

11. **Date of formation**

For the date of formation, provide the date on which the issuer was incorporated, continued or organized (formed). If the issuer resulted from an amalgamation, arrangement, merger or reorganization, provide the date of the most recent amalgamation, arrangement, merger or reorganization.

12. **Security codes**

Wherever this form requires disclosure of the type of security, use the following security codes:

<table>
<thead>
<tr>
<th>Security code</th>
<th>Security type</th>
</tr>
</thead>
<tbody>
<tr>
<td>BND</td>
<td>Bonds</td>
</tr>
<tr>
<td>CER</td>
<td>Certificates (including pass-through certificates, trust certificates)</td>
</tr>
<tr>
<td>CMS</td>
<td>Common shares</td>
</tr>
<tr>
<td>CVD</td>
<td>Convertible debentures</td>
</tr>
<tr>
<td>CVN</td>
<td>Convertible notes</td>
</tr>
<tr>
<td>CVP</td>
<td>Convertible preferred shares</td>
</tr>
<tr>
<td>DCT</td>
<td>Digital coins or tokens</td>
</tr>
<tr>
<td>DEB</td>
<td>Debentures</td>
</tr>
<tr>
<td>Security code</td>
<td>Security type</td>
</tr>
<tr>
<td>---------------</td>
<td>---------------</td>
</tr>
<tr>
<td>DRS</td>
<td>Depository receipts (such as American or Global depository receipts/shares)</td>
</tr>
<tr>
<td>FTS</td>
<td>Flow-through shares</td>
</tr>
<tr>
<td>FTU</td>
<td>Flow-through units</td>
</tr>
<tr>
<td>LPU</td>
<td>Limited partnership units and limited partnership interests (including capital commitments)</td>
</tr>
<tr>
<td>MTG</td>
<td>Mortgages (other than syndicated mortgages)</td>
</tr>
<tr>
<td>NOT</td>
<td>Notes (include all types of notes except convertible notes)</td>
</tr>
<tr>
<td>OPT</td>
<td>Options</td>
</tr>
<tr>
<td>PRS</td>
<td>Preferred shares</td>
</tr>
<tr>
<td>RTS</td>
<td>Rights</td>
</tr>
<tr>
<td>SMG</td>
<td>Syndicated mortgages</td>
</tr>
<tr>
<td>SUB</td>
<td>Subscription receipts</td>
</tr>
<tr>
<td>UBS</td>
<td>Units of bundled securities (such as a unit consisting of a common share and a warrant)</td>
</tr>
<tr>
<td>UNT</td>
<td>Units (exclude units of bundled securities, include trust units and mutual fund units)</td>
</tr>
<tr>
<td>WNT</td>
<td>Warrants (including special warrants)</td>
</tr>
<tr>
<td>OTH</td>
<td>Other securities not included above (if selected, provide details of security type in Item 7d)</td>
</tr>
</tbody>
</table>

13. **Distributions by more than one issuer of a single security**

If two or more issuers distributed a single security, provide the full legal names of the co-issuers in Item 3.
B. Terms used in the form

1. For the purposes of this form:

   “designated foreign jurisdiction” means Australia, France, Germany, Hong Kong, Italy, Japan, Mexico, the Netherlands, New Zealand, Singapore, South Africa, Spain, Sweden, Switzerland or the United Kingdom of Great Britain and Northern Ireland;

   “eligible foreign security” means a security offered primarily in a foreign jurisdiction as part of a distribution of securities in either of the following circumstances:

   (a) the security is issued by an issuer
      (i) that is incorporated, formed or created under the laws of a foreign jurisdiction,
      (ii) that is not a reporting issuer in a jurisdiction of Canada,
      (iii) that has its head office outside of Canada, and
      (iv) that has a majority of the executive officers and a majority of the directors ordinarily resident outside of Canada;

   (b) the security is issued or guaranteed by the government of a foreign jurisdiction;

   “foreign public issuer” means an issuer where any of the following apply:

   (a) the issuer has a class of securities registered under section 12 of the 1934 Act;

   (b) the issuer is required to file reports under section 15(d) of the 1934 Act;

   (c) the issuer is required to provide disclosure relating to the issuer and the trading in its securities to the public, to security holders of the issuer or to a regulatory authority and that disclosure is publicly available in a designated foreign jurisdiction;

   “legal entity identifier” means a unique identification code assigned to the person

   (a) in accordance with the standards set by the Global Legal Entity Identifier System, or

   (b) that complies with the standards established by the Legal Entity Identifier Regulatory Oversight Committee for pre-legal entity identifiers;

   “NRD” means National Registration Database;

   “permitted client” has the same meaning as in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations;


2. For the purposes of this form, a person is connected with an issuer or an investment fund manager if either of the following applies:

   (a) one of them is controlled by the other;

   (b) each of them is controlled by the same person.
Form 45-106F1 Report of Exempt Distribution

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT**

### Item 1 – Report Type

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>☐</td>
<td>New report</td>
</tr>
<tr>
<td>☐</td>
<td>Amended report</td>
</tr>
</tbody>
</table>

### Item 2 – Party Certifying the Report

Indicate the party certifying the report (select only one). For guidance regarding whether an issuer is an investment fund, refer to section 1.1 of National Instrument 81-106 Investment Fund Continuous Disclosure and the companion policy to NI 81-106.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>☐</td>
<td>Investment fund issuer</td>
</tr>
<tr>
<td>☐</td>
<td>Issuer (other than an investment fund)</td>
</tr>
<tr>
<td>☐</td>
<td>Underwriter</td>
</tr>
</tbody>
</table>

### Item 3 – Issuer Name and Other Identifiers

Provide the following information about the issuer, or if the issuer is an investment fund, about the fund.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Full legal name</td>
<td></td>
</tr>
<tr>
<td>Previous full legal name</td>
<td>If the issuer’s name changed in the last 12 months, provide most recent previous legal name.</td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Website</td>
<td>(if applicable)</td>
</tr>
</tbody>
</table>

If the issuer has a legal entity identifier, provide below. Refer to Part B of the Instructions for the definition of “legal entity identifier”.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal entity identifier</td>
<td></td>
</tr>
</tbody>
</table>

If two or more issuers distributed a single security, provide the full legal name(s) of the co-issuer(s) other than the issuer named above.

| Full legal name(s) of co-issuer(s) | (if applicable) |

### Item 4 – Underwriter Information

If an underwriter is completing the report, provide the underwriter’s full legal name and firm National Registration Database (NRD) NRD number.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Full legal name</td>
<td></td>
</tr>
<tr>
<td>Firm NRD number</td>
<td>(if applicable)</td>
</tr>
</tbody>
</table>

If the underwriter does not have a firm NRD number, provide the head office contact information of the underwriter.

<p>| Street address |   |
| Municipality | Province/State |</p>
<table>
<thead>
<tr>
<th>Country</th>
<th>Postal code/Zip code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone number</td>
<td>Website</td>
</tr>
</tbody>
</table>

**ITEM 5 – ISSUER INFORMATION**

*If the issuer is an investment fund, do not complete Item 5. Proceed to Item 6.*

**a) Primary industry**

Provide the issuer's North American Industry Classification Standard (NAICS) code (6 digits only) that in your reasonable judgment most closely corresponds to the issuer's primary business activity. For more information on finding the NAICS industry code go to Statistics Canada's NAICS industry search tool.

NAICS industry code

If the issuer is in the **mining industry**, indicate the stage of operations. This does not apply to issuers that provide services to issuers operating in the mining industry. Select the category that best describes the issuer’s stage of operations.

- Exploration
- Development
- Production

Is the issuer’s primary business to invest all or substantially all of its assets in any of the following? If yes, select all that apply.

- Mortgages
- Real estate
- Commercial/business debt
- Consumer debt
- Private companies
- Cryptoassets

**b) Number of employees**

Number of employees:  
- 0 – 49
- 50 – 99
- 100 – 499
- 500 or more

**c) SEDAR profile number**

Does the issuer have a SEDAR profile?  
- No
- Yes

If yes, provide SEDAR profile number

*If the issuer does not have a SEDAR profile complete Item 5(d) – (h).*

**d) Head office address**

Street address  
Province/State

Municipality  
Postal code/Zip code

Country  
Telephone number

**e) Date of formation and financial year-end**

Date of formation:  
YYYY   MM   DD

Financial year-end:  
MM   DD

**f) Reporting issuer status**

Is the issuer a reporting issuer in any jurisdiction of Canada?  
- No
- Yes

If yes, select the jurisdictions of Canada in which the issuer is a reporting issuer.

- All
- AB
- BC
- MB
- NB
- NL
- NT
- NS
- NU
- ON
- PE
- QC
- SK
- YT
**g) Public listing status**

If the issuer has a CUSIP number, provide below (first 6 digits only).

**CUSIP number**

If the issuer is publicly listed, provide the names of all exchanges the exchange on which the issuer’s equity securities are listed. Include only the names of exchanges for which the issuer has applied for and received a listing, which excludes primarily trade. Provide only the name of an exchange and not a trading facility such as, for example, an automated trading system.

**Exchange name**

**h) Size of issuer’s assets**

Select the size of the issuer’s assets based on its most recently available annual financial year-end statements (Canadian $). If the issuer has not existed for a full financial year, provide the size of the issuer’s assets at the distribution end date.

- $0 to under $5M
- $5M to under $25M
- $25M to under $100M
- $100M to under $500M
- $500M to under $1B
- $1B or over

### ITEM 6 – INVESTMENT FUND ISSUER INFORMATION

**If the issuer is an investment fund, provide the following information.**

#### a) Investment fund manager information

- **Full legal name**
- **Firm NRD Number** (if applicable)

If the investment fund manager does not have a firm NRD number, provide the head office contact information of the investment fund manager.

- **Street Address**
- **Municipality**
- **Province/State**
- **Country**
- **Postal code/Zip code**
- **Telephone number**
- **Website (if applicable)**

#### b) Type of investment fund

- **Type of investment fund that most accurately identifies the issuer (select only one):**
  - Money market
  - Equity
  - Fixed income
  - Balanced
  - Balanced Alternative strategies
  - Alternative strategies
  - Cryptoasset
  - Other (describe)

Indicate whether one or both of the following apply to the investment fund.

- **Invests primarily in other investment fund issuers**
- **Is a UCITs Fund**

1Undertaking for the Collective Investment of Transferable Securities funds (UCITs Funds) are investment funds regulated by the European Union (EU) directives that allow collective investment schemes to operate throughout the EU on a passport basis on authorization from one member state.

#### c) Date of formation and financial year-end of the investment fund

- **Date of formation**
  - YYYY
  - MM
  - DD
- **Financial year-end**
  - MM
  - DD

#### d) Reporting issuer status of the investment fund
Is the investment fund a reporting issuer in any jurisdiction of Canada?  
☐ No  ☐ Yes

If yes, select the jurisdictions of Canada in which the investment fund is a reporting issuer.

☐ All  ☐ AB  ☐ BC  ☐ MB  ☐ NB  ☐ NL  ☐ NT  
☐ NS  ☐ NU  ☐ ON  ☐ PE  ☐ QC  ☐ SK  ☐ YT

e) Public listing status of the investment fund

If the investment fund has a CUSIP number, provide below (first 6 digits only).

CUSIP number

If the investment fund is publicly listed, provide the names of all exchanges on which its securities are listed. Include only the names of exchanges for which the investment fund has applied for and received a listing, which excludes primarily trade. Provide only the name of an exchange and not a trading facility such as, for example, an automated trading system.

Exchange

f) Net asset value (NAV) of the investment fund

Select the NAV range of the investment fund as of the date of the most recent NAV calculation (Canadian $).

☐ $0 to under $5M  ☐ $5M to under $25M  ☐ $25M to under $100M

☐ $100M to under $500M  ☐ $500M to under $1B  ☐ $1B or over

Date of NAV calculation: YYYY MM DD

ITEM 7 – INFORMATION ABOUT THE DISTRIBUTION

If an issuer located outside of Canada completes a distribution in a jurisdiction of Canada, include in Item 7 and Schedule 1 information about purchasers resident in that jurisdiction of Canada only. Do not include in Item 7 securities issued as payment of commissions or finder’s fees in connection with the distribution, which should be disclosed in Item 8. The information provided in Item 7 must reconcile with the information provided in Schedule 1 of the report.

a) Currency

Select the currency or currencies in which the distribution was made. All dollar amounts provided in the report must be in Canadian dollars.

☐ Canadian dollar  ☐ US dollar  ☐ Euro  ☐ Other (describe)

b) Distribution date(s)

State the distribution start and end dates. If the report is being filed for securities distributed on only one distribution date, provide the distribution date as both the start and end dates. If the report is being filed for securities distributed on a continuous basis, include the start and end dates for the distribution period covered by the report.

Start date YYYY MM DD  End date YYYY MM DD

c) Detailed purchaser information

Complete Schedule 1 of this form for each purchaser and attach the schedule to the completed report.

d) Types of securities distributed

Provide the following information for all distributions that take place in a jurisdiction of Canada, reported on a per security basis. Refer to Part A(12) of the Instructions for how to indicate the security code. If providing the CUSIP number, indicate the full 9-digit CUSIP number assigned to the security being distributed.

<table>
<thead>
<tr>
<th>Security code</th>
<th>CUSIP number (if applicable)</th>
<th>Description of security</th>
<th>Number of securities</th>
<th>Single or lowest price</th>
<th>Highest price</th>
<th>Total amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
e) Details of rights and convertible/exchangeable securities

If any rights (e.g. warrants, options) were distributed, provide the exercise price and expiry date for each right. If any convertible/exchangeable securities were distributed, provide the conversion ratio and describe any other terms for each convertible/exchangeable security.

<table>
<thead>
<tr>
<th>Security/convertible/exchangeable security code</th>
<th>Underlying security code</th>
<th>Exercise price (Canadian $)</th>
<th>Expiry date (YYYY-MM-DD)</th>
<th>Conversion ratio</th>
<th>Describe other terms (if applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

f) Summary of the distribution by jurisdiction and exemption

State the total dollar amount of securities distributed and the number of purchasers for each jurisdiction of Canada and foreign jurisdiction where a purchaser resides and for each exemption relied on in Canada for that distribution. However, if an issuer located outside of Canada completes a distribution in a jurisdiction of Canada, include distributions to purchasers resident in that jurisdiction of Canada only.

This table requires a separate line item for: (i) each jurisdiction where a purchaser resides, (ii) each exemption relied on in the jurisdiction where a purchaser resides, if a purchaser resides in a jurisdiction of Canada, and (iii) each exemption relied on in Canada, if a purchaser resides in a foreign jurisdiction.

For jurisdictions within Canada, state the province or territory, otherwise state the country.

<table>
<thead>
<tr>
<th>Province or country</th>
<th>Exemption relied on</th>
<th>Number of unique purchasers</th>
<th>Total amount (Canadian $)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total dollar amount of securities distributed

Total number of unique purchasers

In calculating the number of unique purchasers per row, count each purchaser only once. Joint purchasers may be counted as one purchaser.

In calculating the total number of unique purchasers to which the issuer distributed securities, count each purchaser only once, regardless of whether the issuer distributed multiple types of securities to, and relied on multiple exemptions for, that purchaser.

h) Offering materials – This section applies only in Saskatchewan, Ontario, Québec, New Brunswick and Nova Scotia.

If a distribution has occurred in Saskatchewan, Ontario, Québec, New Brunswick or Nova Scotia, complete the table below by listing the offering materials that are required under the prospectus exemption relied on to be filed with or delivered to the securities regulatory authority or regulator in those jurisdictions.

In Ontario, if the offering materials listed in the table are required to be filed with or delivered to the Ontario Securities Commission (OSC), attach an electronic version of the offering materials that have not been previously filed with or delivered to the OSC.

<table>
<thead>
<tr>
<th>Description</th>
<th>Date of document or other material (YYYY-MM-DD)</th>
<th>Previously filed with or delivered to regulator? (Y/N)</th>
<th>Date previously filed or delivered (YYYY-MM-DD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ITEM 8 – COMPENSATION INFORMATION

Provide information for each person (as defined in NI 45-106) to whom the issuer directly provides, or will provide, any compensation in connection with the distribution. Complete additional copies of this page if more than one person was, or will be, compensated.

Indicate whether any compensation was paid, or will be paid, in connection with the distribution.

[ ] No    [ ] Yes

If yes, indicate number of persons compensated.

[ ]

a) Name of person compensated and registration status

Indicate whether the person compensated is a registrant.

[ ] No    [ ] Yes

If the person compensated is an individual, provide the name of the individual.

Full legal name of individual

[ ]

If the person compensated is not an individual, provide the following information.

Full legal name of non-individual

[ ]

Firm NRD number (if applicable)

[ ]

Indicate whether the person compensated facilitated the distribution through a funding portal or an internet-based portal.

[ ] No    [ ] Yes

b) Business contact information

If a firm NRD number is not provided in Item 8(a), provide the business contact information of the person being compensated.

Street address

[ ]

Municipality

[ ]

Province/State

[ ]

Country

[ ]

Postal code/Zip code

[ ]

Email address

[ ]

Telephone number

[ ]

c) Relationship to issuer or investment fund manager

Indicate the person’s relationship with the issuer or investment fund manager (select all that apply). Refer to the meaning of “connected” in Part B(2) of the Instructions and the meaning of “control” in section 1.4 of NI 45-106 for the purposes of completing this section.

[ ] Connected with the issuer or investment fund manager

[ ] Insider of the issuer (other than an investment fund)

[ ] Director or officer of the investment fund or investment fund manager

[ ] Employee of the issuer or investment fund manager

[ ] None of the above

d) Compensation details

Provide details of all compensation paid, or to be paid, to the person identified in Item 8(a) in connection with the distribution. Provide all amounts in Canadian dollars. Include cash commissions, securities-based compensation, gifts, discounts or other compensation. Do not report payments for services incidental to the distribution, such as clerical, printing, legal or accounting services. An issuer is not required to ask for details about, or report on, internal allocation arrangements with the directors, officers or employees of a non-individual compensated by the issuer.

Cash commissions paid

[ ]

Value of all securities distributed as compensation

[ ]

Security codes

[ ]

Describe terms of warrants, options or other rights

[ ]

Other compensation

[ ]

Describe

[ ]

Total compensation paid

[ ]

[ ]
Check box if the person will or may receive any deferred compensation (describe the terms below)

Provide the aggregate value of all securities distributed as compensation, excluding options, warrants or other rights exercisable to acquire additional securities of the issuer. Indicate the security codes for all securities distributed as compensation, including options, warrants or other rights exercisable to acquire additional securities of the issuer.

Do not include deferred compensation.

**ITEM 9 – DIRECTORS, EXECUTIVE OFFICERS AND PROMOTERS OF THE ISSUER**

**If the issuer is an investment fund, do not complete Item 9. Proceed to Item 10.**

Indicate whether the issuer is any of the following (select all that apply; select the one that applies – if more than one applies, select only one).

- Reporting issuer in any jurisdiction of Canada
- Foreign public issuer
- Wholly owned subsidiary of a reporting issuer in any jurisdiction of Canada
  
  Provide name of reporting issuer

- Wholly owned subsidiary of a foreign public issuer
  
  Provide name of foreign public issuer

- Issuer distributing only eligible foreign securities only and the distribution is to permitted clients only

**If the issuer is at least one of the above, do not complete Item 9(a) – (c). Proceed to Item 10.**

1. An issuer is a wholly owned subsidiary of a reporting issuer or a foreign public issuer if all of the issuer’s outstanding voting securities, other than securities that are required by law to be owned by its directors, are beneficially owned by the reporting issuer or the foreign public issuer, respectively.

2. Check this box if it applies to the current distribution even if the issuer made previous distributions of other types of securities to non-permitted clients. Refer to the definitions of “eligible foreign security” and “permitted client” in Part B(1) of the Instructions.

If the issuer is none of the above, check this box and complete Item 9(a) – (c).

**a) Directors, executive officers and promoters of the issuer**

Provide the following information for each director, executive officer and promoter of the issuer. For locations within Canada, state the province or territory, otherwise state the country. For “Relationship to issuer”, “D” – Director, “O” – Executive Officer, “P” – Promoter.

<table>
<thead>
<tr>
<th>Organization or company name</th>
<th>Family name</th>
<th>First given name</th>
<th>Secondary given names</th>
<th>Business location of non-individual or residential jurisdiction of individual</th>
<th>Relationship to issuer (select all that apply)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Province or country D O P</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**b) Promoter information**

If the promoter listed above is not an individual, provide the following information for each director and executive officer of the promoter. For locations within Canada, state the province or territory, otherwise state the country. For “Relationship to promoter”, “D” – Director, “O” – Executive Officer.

<table>
<thead>
<tr>
<th>Organization or company name</th>
<th>Family name</th>
<th>First given name</th>
<th>Secondary given names</th>
<th>Residential jurisdiction of individual</th>
<th>Relationship to promoter (select one or both if applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Province or country D O</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>D</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>O</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>D</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>O</td>
<td></td>
</tr>
</tbody>
</table>
ITEM 10 – CERTIFICATION

Provide the following certification and business contact information of an officer or director or agent of the issuer or underwriter. If the issuer or underwriter is not a company, an individual who performs functions similar to that of a director or officer may certify the report. For example, if the issuer is a trust, the report may be certified by the issuer’s trustee. If the issuer is an investment fund, a director or officer of the investment fund manager (or, if the investment fund manager is not a company, an individual who performs similar functions) may certify the report if the director or officer has been authorized to do so by the investment fund.

The certification may not be delegated, but only to an agent or other individual preparing the report on behalf that has been authorized by an officer or director of the issuer or underwriter. To prepare and certify the report on behalf of the issuer or underwriter, if the report is being certified by an agent on behalf of the issuer or underwriter, provide the applicable information for the agent in the boxes below.

If the individual completing and filing the report is different from the individual certifying the report, provide the name and contact details for the individual completing and filing the report in Item 11.

The signature on the report must be in typed form rather than handwritten form. The report may include an electronic signature provided the name of the signatory is also in typed form.

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT

Securities legislation requires an issuer or underwriter that makes a distribution of securities under certain prospectus exemptions to file a completed report of exempt distribution.

By completing the information below, I certify, on behalf of the issuer/underwriter/investment fund manager, to the securities regulatory authority or regulator that, as applicable, that I have reviewed this report and to my knowledge, having exercised reasonable diligence, the information provided in this report is true and, to the extent required, complete.

- I have read and understand this report; and
- _______all of the information provided in this report is true.

Name of issuer/underwriter/investment fund manager

Full legal name

Family name

First given name

Secondary given names

Title

Name of issuer/underwriter/investment fund manager

Telephone number

Email address

Signature

Date

YYYY

MM

DD

ITEM 11 – CONTACT PERSON

Provide the following business contact information for the individual that the securities regulatory authority or regulator may contact with any questions regarding the contents of this report, if different than the individual certifying the report in Item 10.

☐ Same as individual certifying the report

Full legal name

Family name

First given name

Secondary given names

Title

Name of company
### Notice – Collection and use of personal information

The personal information required under this form is collected on behalf of and used by the securities regulatory authority or regulator under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or regulator in the local jurisdiction(s) where the report is filed, at the address(es) listed at the end of this form.

The attached Schedules 1 and 2 may contain personal information of individuals and details of the distribution(s). The information in Schedules 1 and 2 will not be placed on the public file of any securities regulatory authority or regulator. However, freedom of information legislation may require the securities regulatory authority or regulator to make this information available if requested.

By signing this report, the issuer/underwriter confirms that each individual listed in Schedule 1 or 2 of the report who is resident in a jurisdiction of Canada:

a) has been notified by the issuer/underwriter of the delivery to the securities regulatory authority or regulator of the information pertaining to the individual as set out in Schedule 1 or 2, that this information is being collected by the securities regulatory authority or regulator under the authority granted in securities legislation, that this information is being collected for the purposes of the administration and enforcement of the securities legislation of the local jurisdiction, and of the title, business address and business telephone number of the public official in the local jurisdiction, as set out in this form, who can answer questions about the security regulatory authority’s or regulator’s indirect collection of the information, and

b) has authorized the indirect collection of the information by the securities regulatory authority or regulator.
Schedule 1 must be filed in the format of an Excel spreadsheet in a form acceptable to the securities regulatory authority or regulator.

The information in this schedule will not be placed on the public file of any securities regulatory authority or regulator. However, freedom of information legislation may require the securities regulatory authority or regulator to make this information available if requested.

a) General information *(provide only once)*
   1. Name of issuer
   2. Certification date (YYYY-MM-DD)

   Provide the following information for each purchaser that participated in the distribution. For each purchaser, create separate entries for each distribution date, security type and exemption relied on for the distribution.

b) Legal name of purchaser

   If two or more individuals have purchased a security as joint purchasers, provide information for each purchaser under the columns for family name, first given name and secondary given names, if applicable, and separate the individuals’ names with an ampersand. For example, if Jane Jones and Robert Smith are joint purchasers, indicate “Jones & Smith” in the family name column.

   1. Family name
   2. First given name
   3. Secondary given names *(if applicable)*
   4. Full legal name of non-individual *(if applicable)*

c) Contact information of purchaser

   1. Residential street address
   2. Municipality
   3. Province/State
   4. Postal code/Zip code
   5. Country
   6. Telephone number
   7. Email address *(if available)*

d) Details of securities purchased

   1. Date of distribution (YYYY-MM-DD)
   2. Number of securities
   3. Security code
   4. Amount paid (Canadian $)

e) Details of exemption relied on

   1. Rule, section and subsection number

   2. If relying on section 2.3 *[Accredited investor]* of NI 45-106, provide the paragraph number in the definition of “accredited investor” in section 1.1 of NI 45-106 that applies to the purchaser. *(select only one)*

   3. If relying on section 2.5 *[Family, friends and business associates]* of NI 45-106, provide:
      a. the paragraph number in subsection 2.5(1) that applies to the purchaser *(select only one)*; and
      b. if relying on paragraphs 2.5(1)(b) to (i), provide:
         i. the name of the director, executive officer, control person, or founder of the issuer or affiliate of the issuer claiming a relationship to the purchaser. *(Note: if Item 9(a) has been completed, the name of the director, executive officer or control person must be consistent with the name provided in Item 9 and Schedule 2.)*
         ii. the position of the director, executive officer, control person, or founder of the issuer or affiliate of the issuer claiming a relationship to the purchaser.

   4. If relying on subsection 2.9(2) or, in Alberta, New Brunswick, Nova Scotia, Ontario, Québec, or Saskatchewan, subsection 2.9(2.1) *[Offering memorandum]* of NI 45-106 and the purchaser is an eligible investor, provide the paragraph number in the definition of “eligible investor” in section 1.1 of NI 45-106 that applies to the purchaser. *(select only one)*
f) Other information

Paragraphs f)1. and f)2. do not apply if any of the following apply:

(a) the issuer is a foreign public issuer;
(b) the issuer is a wholly owned subsidiary of a foreign public issuer;
(c) the issuer is distributing only eligible foreign securities and the distribution is to permitted clients only.1

1. Is the purchaser a registrant? (Y/N)
2. Is the purchaser an insider of the issuer? (Y/N) (not applicable if the issuer is an investment fund)
3. Full legal name of person compensated for distribution to purchaser. If the person compensated is a registered firm, provide the firm NRD number only. (Note: the name must be consistent with the names of the persons compensated as provided in Item 8.)

INSTRUCTIONS FOR SCHEDULE 1

Any securities issued as payment for commissions or finder’s fees must be disclosed in Item 8 of the report, not in Schedule 1.

Details of exemption relied on – When identifying the exemption the issuer relied on for the distribution to each purchaser, refer to the rule, statute or instrument in which the exemption is provided and identify the specific section and, if applicable, subsection or paragraph. For example, if the issuer is relying on an exemption in a National Instrument, refer to the number of the National Instrument, and the subsection or paragraph number of the specific provision. If the issuer is relying on an exemption in a local blanket order, refer to the blanket order by number.

For exemptions that require the purchaser to meet certain characteristics, such as the exemption in section 2.3 [Accredited investor], section 2.5 [Family, friends and business associates] or subsection 2.9(2) or, in Alberta, New Brunswick, Nova Scotia, Ontario, Québec, or Saskatchewan, subsection 2.9(2.1) [Offering memorandum] of NI 45-106, provide the specific paragraph in the definition of those terms that applies to each purchaser.

Reports filed under paragraph 6.1(1)(j) [TSX Venture Exchange offering] of NI 45-106 – For reports filed under paragraph 6.1(1)(j) [TSX Venture Exchange offering] of NI 45-106, Schedule 1 needs to list the total number of purchasers by jurisdiction only, and is not required to include the name, residential address, telephone number or email address of the purchasers.

---

1 In Ontario, the substance of the blacklined italicized text was already incorporated in an Ontario-only amendment that came into force on July 29, 2016. The relief reflected in this italicized text was also previously provided in other CSA jurisdictions through blanket orders. Identical relief is now proposed for all CSA jurisdictions.
Schedule 2 to Form 45-106F1 (Confidential Director, Executive Officer, Promoter and Control Person Information)

Schedule 2 must be filed in the format of an Excel spreadsheet in a form acceptable to the securities regulatory authority or regulator.

Complete the following only if Item 9(a) is required to be completed. This schedule also requires information to be provided about control persons of the issuer at the time of the distribution.

The information in this schedule will not be placed on the public file of any securities regulatory authority or regulator. However, freedom of information legislation may require the securities regulatory authority or regulator to make this information available if requested.

a) General information (provide only once)
   1. Name of issuer
   2. Certification date (YYYY-MM-DD)

b) Business contact information of Chief Executive Officer (if not provided in Item 10 or 11 of report)
   1. Email address
   2. Telephone number

c) Residential address of directors, executive officers, promoters and control persons of the issuer
   Provide the following information for each individual who is a director, executive officer, promoter or control person of the issuer at the time of the distribution. If the promoter or control person is not an individual, provide the following information for each director and executive officer of the promoter and control person. (Note: names of directors, executive officers and promoters must be consistent with the information in Item 9 of the report, if required to be provided.)
   1. Family name
   2. First given name
   3. Secondary given names
   4. Residential street address
   5. Municipality
   6. Province/State
   7. Postal code/Zip code
   8. Country
   9. Indicate whether the individual is a control person, or a director and/or executive officer of a control person (if applicable)

d) Non-individual control persons (if applicable)
   If the control person is not an individual, provide the following information. For locations within Canada, state the province or territory, otherwise state the country.
   1. Organization or company name
   2. Province or country of business location
Questions:
Refer any questions to:

**Alberta Securities Commission**
Suite 600, 250 – 5th Street SW
Calgary, Alberta T2P 0R4
Telephone: (403) – 297-6454
Toll free in Canada: 1-877-355-0585
Facsimile: (403) – 297-2082
Public official contact regarding indirect collection of information: FOIP Coordinator

**British Columbia Securities Commission**
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Inquiries: (604) – 899-6854
Toll free in Canada: 1-800-373-6393
Facsimile: (604) – 899-6581
Email: inquiriesFOI-privacy@bcsc.bc.ca
Public official contact regarding indirect collection of information: FOI Inquiries

**The Manitoba Securities Commission**
500 – 400 St. Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: (204) – 945-2548
Toll free in Manitoba: 1-800-655-5244
Facsimile: (204) – 945-0330
Public official contact regarding indirect collection of information: Director

**Financial and Consumer Services Commission (New Brunswick)**
85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Telephone: (506) – 658-3060
Toll free in Canada: 1-866-933-2222
Facsimile: (506) – 658-3059
Email: info@fcnb.ca
Public official contact regarding indirect collection of information: Chief Executive Officer and Privacy Officer

**Government of Newfoundland and Labrador**
Financial Services Regulation Division
P.O. Box 8700
Confederation Building
2nd Floor, West Block
Prince Philip Drive
St. John’s, Newfoundland and Labrador A1B 4J6
Attention: Director of Securities
Telephone: (709) – 729-4189
Facsimile: (709) – 729-6187
Public official contact regarding indirect collection of information: Superintendent of Securities

**Government of the Northwest Territories**
Office of the Superintendent of Securities
P.O. Box 1320
Yellowknife, Northwest Territories X1A 2L9
Attention: Deputy Superintendent, Legal & Enforcement
Telephone: (867) – 920-8984, 767-9305
Facsimile: (867) – 873-0243

**Government of Nunavut**
Department of Justice
Legal Registries Division
P.O. Box 1000, Station S70
1st Floor, Government Building
Iqaluit, Nunavut X0A 0H0
Telephone: (867) – 975-0590
Facsimile: (867) – 975-6594

**Ontario Securities Commission**
20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Telephone: (416) – 593-8214
Toll free in Canada: 1-877-785-1555
Facsimile: (416) – 593-8122
Email: exemptmarketfilings@osc.gov.on.ca
Public official contact regarding indirect collection of information: Inquiries Officer

**Prince Edward Island Securities Office**
95 Rochford Street, 4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: (902) – 368-4569
Facsimile: (902) – 368-5283

**Autorité des marchés financiers**
800, Square Victoria, 22e étage
C.P. – 246, Tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: (514) – 395-0337 or 1-877-525-0337
Facsimile: (514) – 873-6155 (For filing purposes only)
Facsimile: (514) – 864-6381 (For privacy requests only)
Email: financementdessocietes@lautorite.qc.ca (For corporate finance issuers); fonds_dinvestissement@lautorite.qc.ca (For investment fund issuers)

**Financial and Consumer Affairs Authority of Saskatchewan**
Suite 601 – 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: (306) – 787-5879
Facsimile: (306) – 787-5899

**Government of Yukon**
Department of Community Services
Law Centre, 3rd Floor
2130 Second Avenue
Whitehorse, Yukon Y1A 5H6
Telephone: (867) – 667-5314
Facsimile: (867) – 393-6251
Public official contact regarding indirect collection of information: Superintendent of Securities

Nova Scotia Securities Commission
Suite 400, 5251 Duke Street
Duke Tower
P.O. Box 458
Halifax, Nova Scotia B3J 2P8
Telephone: (902) 424-7768
Facsimile: (902) 424-4625
Public official contact regarding indirect collection of information: Executive Director

Government of Nunavut
Department of Justice
Legal Registries Division
P.O. Box 1000, Station 570
1st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: 867-975-6590
Facsimile: 867-975-6594
Public official contact regarding indirect collection of information: Superintendent of Securities

Ontario Securities Commission
20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Telephone: 416-593-8314
Toll free in Canada: 1-877-785-1555
Facsimile: 416-593-8122
Email: exemptmarketfilings@osc.gov.on.ca
Public official contact regarding indirect collection of information: Inquiries Officer

Prince Edward Island Securities Office
95 Rochford Street, 4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: 902-368-4569
Facsimile: 902-368-5283
Public official contact regarding indirect collection of information: Superintendent of Securities

Autorité des marchés financiers
800, rue du Square-Victoria, 22e étage
C.P. 246, tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: 514-395-0337 or 1-877-525-0337
Facsimile: 514-873-6155 (For filing purposes only)
Facsimile: 514-864-6381 (For privacy requests only)
Email: financementdessocietes@lautorite.qc.ca (For corporate finance issuers); fonds_dinvestissement@lautorite.qc.ca (For investment fund issuers)
Public official contact regarding indirect collection of information: Corporate Secretary

Financial and Consumer Affairs Authority of Saskatchewan
Suite 601 - 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: 306-787-5842
Facsimile: 306-787-5899
Public official contact regarding indirect collection of information: Director
ANNEX F
LOCAL MATTERS

1. Ontario-only Amendments

In addition to the Rule Amendments described in the main body of this Notice, the OSC has made consequential amendments to OSC Rule 72-503 *Distributions Outside Canada* (OSC Rule 72-503) relating to Form 72-503F *Report of Distributions Outside Canada* (the Ontario-only Amendments). The Ontario-only Amendments are in Schedule 1 of this Annex and align OSC Rule 72-503 with the amendments to NI 45-106 and certain parts of Form 72-503F with the amendments to the Report. An unnecessary reference to section 2.2 of OSC Rule 72-503 is also deleted.

As set out in Schedule 2 of this Annex, the OSC is also adopting a conforming change to Companion Policy 72-503 *Distributions Outside Canada* (72-503CP).

2. Notice of OSC Approval

On June 12, 2018, the OSC approved the Rule Amendments and the Ontario-only Amendments. Also on that day, the OSC adopted the changes to 45-106CP and 72-503CP.

3. Delivery to the Minister

The Rule Amendments and Ontario-only Amendments were delivered to the Minister of Finance on July 19, 2018. The Minister may approve or reject the Rule Amendments and Ontario Amendments or return them for further consideration. If the Minister approves the Rule Amendments and Ontario Amendments or does not take any further action by September 17, 2018, the Rule Amendments and Ontario-only Amendments will come into force on October 5, 2018. The change to 45-106CP and 72-503CP would also take effect on October 5, 2018.
Schedule 1 to Annex F

LOCAL RULE AMENDMENTS

1. *Ontario Securities Commission Rule 72-503 Distributions Outside Canada is amended by this Instrument.*

2. **Part 4 is amended by adding the following section:**

   **Distributions by more than one issuer of a single security**

   4.4 An issuer is not required to file a report of trade under section 4.1 for a distribution of a security if a report has been filed by another issuer for the distribution of the same security.

3. **Form 72-503F Report of Distributions Outside Canada is amended**

   (a) **by replacing the table under the heading “Instructions:” with the following:**

<table>
<thead>
<tr>
<th>Security code</th>
<th>Security type</th>
</tr>
</thead>
<tbody>
<tr>
<td>BND</td>
<td>Bonds</td>
</tr>
<tr>
<td>CER</td>
<td>Certificates <em>(including pass-through certificates, trust certificates)</em></td>
</tr>
<tr>
<td>CMS</td>
<td>Common shares</td>
</tr>
<tr>
<td>CVD</td>
<td>Convertible debentures</td>
</tr>
<tr>
<td>CVN</td>
<td>Convertible notes</td>
</tr>
<tr>
<td>CVP</td>
<td>Convertible preferred shares</td>
</tr>
<tr>
<td>DCT</td>
<td>Digital coins or tokens</td>
</tr>
<tr>
<td>DEB</td>
<td>Debentures</td>
</tr>
<tr>
<td>DRS</td>
<td>Depository receipts <em>(such as American or Global depository receipts/shares)</em></td>
</tr>
<tr>
<td>FTS</td>
<td>Flow-through shares</td>
</tr>
<tr>
<td>FTU</td>
<td>Flow-through units</td>
</tr>
<tr>
<td>LPU</td>
<td>Limited partnership units and limited partnership interests <em>(including capital commitments)</em></td>
</tr>
<tr>
<td>MTG</td>
<td>Mortgages <em>(other than syndicated mortgages)</em></td>
</tr>
<tr>
<td>NOT</td>
<td>Notes <em>(include all types of notes except convertible notes)</em></td>
</tr>
<tr>
<td>OPT</td>
<td>Options</td>
</tr>
<tr>
<td>PRS</td>
<td>Preferred shares</td>
</tr>
<tr>
<td>RTS</td>
<td>Rights</td>
</tr>
<tr>
<td>SMG</td>
<td>Syndicated mortgages</td>
</tr>
<tr>
<td>SUB</td>
<td>Subscription receipts</td>
</tr>
<tr>
<td>UBS</td>
<td>Units of bundled securities <em>(such as a unit consisting of a common share and a warrant)</em></td>
</tr>
<tr>
<td>UNT</td>
<td>Units <em>(exclude units of bundled securities, include trust units and mutual fund units)</em></td>
</tr>
<tr>
<td>WNT</td>
<td>Warrants <em>(including special warrants)</em></td>
</tr>
<tr>
<td>OTH</td>
<td>Other securities not included above <em>(if selected, provide details of security type in Item 7d)</em></td>
</tr>
</tbody>
</table>

   Distributions by more than one issuer of a single security: If two or more issuers distributed a single security, provide the full legal name(s) of the co-issuer(s) in section 1c) other than the issuer named in section 1a).

(b) **in section 1, by adding the following:**

   c) Full legal name(s) of co-issuer(s) (if applicable)
(c) in section 2, under the row entitled “Types of securities distributed”, by deleting “2.2,”;

(d) in section 2, under the row entitled “Details of rights and convertible/exchangeable securities”, by replacing “Security code” in the first column with “Convertible/exchangeable security code”;

(e) in section 5, by adding “If the report is being certified by an agent on behalf of the issuer, provide the applicable information for the agent in the boxes below.” immediately following “The certification may be delegated, but only to an agent that has been authorized by an officer or director of the issuer to prepare and certify the report on behalf of the issuer.”;

4. This Instrument comes into force on October 5, 2018.
LOCAL CHANGE TO COMPANION POLICY 72-503 DISTRIBUTIONS OUTSIDE CANADA

The Ontario Securities Commission is adopting a change to Part 4 of Companion Policy 72-503 Distributions Outside Canada. The change comes into effect on the implementation of the Ontario-only Amendments and is shown below by way of blackline.

PART 4 FORM 72-503F

Issuers are required to file the information required by Form 72-503F Report of Distributions Outside Canada (the Form) electronically through the Commission's Electronic Filing Portal. The electronic filing requirement applies to all issuers that are subject to the Form's disclosure requirements. Please see OSC Rule 11-501 Electronic Delivery of Documents to the Ontario Securities Commission for further information.

In certain circumstances, two or more issuers distribute a single security. In these circumstances, only one Form is required to be filed for the distribution, which may be completed and filed by any one of the co-issuers.