

## REGULATION TO AMEND REGULATION 41-101 RESPECTING GENERAL PROSPECTUS REQUIREMENTS

### Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (1), (3), (6), (6.1), (8), (11), (16) and (34))

1. Section 1.1 of Regulation 41-101 respecting General Prospectus Requirements is amended:

(1) by inserting, after the definition of the term “over-allotment option”, the following:

““personal information form” means in respect of an individual,

(a) a completed Schedule 1 of Appendix A, or

(b) A TSX/TSXV personal information form submitted by an individual to the Toronto Stock Exchange or to the TSX Venture Exchange to which is attached a completed certificate and consent in the form set out in Schedule 1 – Part B of Appendix A, if the personal information in the form continues to be correct at the time that the certificate and consent is executed by the individual;”;

(2) in the definition of the term “executive officer”:

(a) by inserting, after the words “means, for an issuer”, the words “or an investment fund manager;”;

(b) by inserting, after paragraph (a), the following:

“(a.1) a chief executive officer or chief financial officer;”;

(c) by inserting, in paragraph (c) and after the word “issuer”, the words “or investment fund manager”;

(3) by inserting, after the definition of “transition year”, the following:

““TSX/TSXV personal information form” means a completed personal information form of an individual in compliance with the requirements of Form 4 for the Toronto Stock Exchange or Form 2A for the TSX Venture Exchange, as applicable, each as amended from time to time;”.

2. Section 2.3 of the Regulation is amended by replacing paragraph (1) with the following:

“(1) An issuer must not file an amendment to a preliminary prospectus more than 90 days after the date of the receipt for the preliminary prospectus.

“(1.1) An issuer must not file a final prospectus more than 90 days after the date of the receipt for the preliminary prospectus or an amendment to the preliminary prospectus which relate to the final prospectus.

“(1.2) If an issuer files an amendment pursuant to subsection (1), the total period of time permitted to file the final prospectus under subsection (1.1) must not exceed 180 days from the date of the receipt of the preliminary prospectus.”.

3. The Regulation is amended by inserting, after section 5.10, the following:

**“5.10.1. Certificate of principal distributor**

(1) If the issuer is an investment fund that has a principal distributor, a prospectus must contain a certificate, in the applicable issuer certificate form, signed by the principal distributor.

(2) If the principal distributor is a company, the certificate must be signed by any officer or director of the principal distributor duly authorized to sign.”

4. Section 9.1 of the Regulation is replaced with the following:

**“9.1. Required documents for filing a preliminary or pro forma long form prospectus**

(1) An issuer that files a preliminary or pro forma long form prospectus must

(a) file the following with the preliminary or pro forma long form prospectus

(i) in the case of a preliminary long form prospectus, a signed copy of the preliminary long form prospectus;

(ii) a copy of the following documents, and any amendments to the following documents, that have not previously been filed:

(A) articles of incorporation, amalgamation, continuation or any other constating or establishing documents of the issuer, unless the constating or establishing document is a statutory or regulatory instrument,

(B) by-laws or other corresponding instruments currently in effect,

(C) any securityholder or voting trust agreement that the issuer has access to and that can reasonably be regarded as material to an investor in securities of the issuer,

(D) any securityholders’ rights plans or other similar plans, and

(E) any other contract of the issuer or a subsidiary of the issuer that creates or can reasonably be regarded as materially affecting the rights or obligations of the issuer’s securityholders generally;

(iii) a copy of any material contract required to be filed under section 9.3;

(iv) if the issuer is an investment fund, the documents filed under subparagraphs (ii) and (iii) must include a copy of

(A) any declaration of trust or trust agreement of the investment fund, limited partnership agreement, or any other constating or establishing documents of the investment fund,

(B) any agreement of the investment fund or the trustee with the manager of the investment fund,

(C) any agreement of the investment fund, the manager or trustee with the portfolio advisers of the investment fund,

(D) any agreement of the investment fund, the manager or trustee with the custodian of the investment fund, and

(E) any agreement of the investment fund, the manager or trustee with the principal distributor of the investment fund;

(v) if the issuer has a mineral project, the technical reports required to be filed with a preliminary long form prospectus under Regulation 43-101 respecting Standards of Disclosure for Mineral Projects (M.O. 2005-23, 05-11-30); and

(vi) a copy of each report or valuation referred to in the preliminary long form prospectus for which a consent is required to be filed under section 10.1 and that has not previously been filed, other than a technical report that

and (A) deals with a mineral project or oil and gas activities,

and (B) is not otherwise required to be filed under subparagraph (v); and

(b) deliver to the regulator or, in Québec, the securities regulatory authority, concurrently with the filing of the preliminary or pro forma long form prospectus, the following:

(i) in the case of a pro forma prospectus, a copy of the pro forma prospectus blacklined to show changes and the text of deletions from the latest prospectus previously filed;

(ii) a completed personal information form for

(A) each director and executive officer of an issuer,

(B) if the issuer is an investment fund, each director and executive officer of the manager of the issuer,

(C) each promoter of the issuer, and

(D) if the promoter is not an individual, each director and executive officer of the promoter; and

(iii) if a financial statement of an issuer or a business included in, or incorporated by reference into, a preliminary or pro forma long form prospectus is accompanied by an unsigned auditor's report, a signed letter addressed to the regulator or, in Québec, the securities regulatory authority from the auditor of the issuer or of the business, as applicable, prepared in accordance with the form suggested for this circumstance in the Handbook.

(2) Despite subparagraph 9.1(1)(b)(ii), an issuer is not required to file a personal information form for an individual if all of the following are satisfied:

(a) a personal information form of the individual has been executed by the individual within three years preceding the date of the filing of the preliminary or pro forma long form prospectus;

(b) the personal information form was delivered to the regulator or, in Québec, the securities regulatory authority

(i) by an issuer on behalf of the individual on or after [insert effective date of amendments]; or

(ii) by the issuer on behalf of the individual after March 16, 2008 but before [insert effective date of amendments] in the form set out in Appendix A to

Regulation 41-101 respecting General Prospectus Requirements (M.O. 2008-05, 08-03-04) in effect during this period;

(c) the information concerning the individual contained in the responses to

(i) questions 6 through 10 of the personal information form referenced in subparagraph (b)(i) remains correct as at the date of the certificate referred to in paragraph (d); or

(ii) questions 4(B) or (C) and questions 6 through 9 of the personal information form referenced in subparagraph (b)(ii) remains correct as at the date of the certificate referred to in paragraph (d);

(d) the issuer delivers to the regulator or, in Québec, the securities regulatory authority, concurrently with the filing of the preliminary or pro forma long form prospectus, a certificate of the issuer in the form set out in Schedule 4 of Appendix A stating that the individual has provided the issuer with confirmation in respect of the requirement contained in paragraph (c);

(e) the certificate referenced in paragraph (d) is dated no earlier than 30 days before the filing of the preliminary or pro forma long form prospectus.”.

5. Section 9.2 of the Regulation is amended, in paragraph (a):

(1) by replacing, in the French text of subparagraph (iii), the words “en vertu du du” with the words “en vertu du”;

(2) in subparagraph (vii):

(a) by inserting, after subparagraph (A), the following, and making the necessary changes:

“(A.1) each director of the issuer, and”;

(b) by replacing subparagraph (B) with the following:

“(B) any other person that provides or signs a certificate under Part 5 or other securities legislation, other than an issuer.”;

(3) by replacing subparagraph (xii) with the following:

“(xii) if an agreement, contract or declaration of trust under subparagraph (ii) or (iv) or a material contract under subparagraph (iii) has not been executed before the filing of the final long form prospectus but will be executed on or before the completion of the distribution, the issuer must file with the securities regulatory authority, no later than the time of filing of the final long form prospectus, an undertaking of the issuer to the securities regulatory authority to file the agreement, contract, declaration of trust or material contract promptly and in any event no later than 7 days after execution of the agreement, contract, declaration of trust or material contract;

“(xii.1) if a document referred to in subparagraph (ii) will not be executed in order to become effective and has not become effective before the filing of the final long form prospectus, but will become effective on or before the completion of the distribution, the issuer must file with the securities regulatory authority, no later than the time of filing of the final long form prospectus, an undertaking of the issuer to the securities regulatory authority to file the document promptly and in any event no later than 7 days after the document becomes effective; and”.

**6.** Section 10.1 of the Regulation is amended by replacing paragraph (1) with the following:

“(1) An issuer must file the written consent of

(a) any solicitor, auditor, accountant, engineer, or appraiser,

(b) any notary in Québec, and

(c) any person whose profession or business gives authority to a statement made by that person.

“(1.1) Subsection (1) only applies if the person is named in a prospectus or an amendment to a prospectus, directly or, if applicable, in a document incorporated by reference,

(a) as having prepared or certified any part of the prospectus or the amendment,

(b) as having opined on financial statements from which selected information included in the prospectus has been derived and which audit opinion is referred to in the prospectus directly or in a document incorporated by reference, or

(c) as having prepared or certified a report, valuation, statement or opinion referred to in the prospectus or the amendment, directly or in a document incorporated by reference.”.

**7.** Section 11.2 of the Regulation is amended:

(1) by replacing, in the part preceding paragraph (a), the words “No person” with “Except as required under section 11.3, no person”;

(2) by inserting, in paragraph (b) and after the word “offering”, the words “on an as-if converted basis”.

**8.** Section 13.3 of the Regulation is amended:

(1) by replacing, in paragraph (d), the words “the investment objective(s)” with the words “the fundamental investment objective(s)”;

(2) by adding, after paragraph (h), the following:

“(i) whether the security is or will be a qualified investment for a registered retirement savings plan, registered retirement income fund, registered education savings plan or tax free savings account or qualifies or will qualify the holder for special tax treatment.”.

**9.** Section 14.5 of the Regulation is amended:

(1) in paragraph (1):

(a) by replacing, in the part preceding subparagraph (a), the words “agreements between the investment fund and the custodian or the custodian and the sub-custodian” with the words “custodian agreements and sub-custodian agreements”;

(b) by replacing, in subparagraph (g), “sub-custodian,” with the word “sub-custodian”;

(2) by replacing, in paragraph (3), the words “An agreement between an investment fund and a custodian or a custodian and a sub-custodian respecting the portfolio

assets” with the words “A custodian agreement or sub-custodian agreement concerning the portfolio assets of an investment fund”.

**10.** Section 19.3 of the Regulation is amended by adding, after the words “the filing of the” and wherever they occur in subparagraphs (i) and (ii) of subparagraph (a) of paragraph (2), the words “pro forma or”.

**11.** Appendix A of the Regulation is replaced with the following:

**“APPENDIX A**

**SCHEDULE 1**

**PART A PERSONAL INFORMATION FORM AND AUTHORIZATION OF INDIRECT COLLECTION, USE AND DISCLOSURE OF PERSONAL INFORMATION**

This Personal Information Form and Authorization of Indirect Collection, Use and Disclosure of Personal Information (the “Form”) is to be completed by every individual who, in connection with an issuer filing a prospectus (the “Issuer”), is required to do so under Part 9 of Regulation 41-101 respecting General Prospectus Requirements, Part 4 of Regulation 44-101 respecting Short Form Prospectus Distributions or Part 2 of Regulation 81-101 respecting Mutual Fund Prospectus Disclosure.

**The securities regulatory authorities do not make any of the information provided in this Form public.**

**General Instructions:**

**All Questions**

**All questions must have a response.** The response of “N/A” or “Not Applicable” will not be accepted for any questions, except Questions 1(B), 2(iii) and (v) and 5.

For the purposes of answering the questions in this Form, the term “**issuer**” includes an **investment fund manager**.

**Questions 6 to 10**

Please place a checkmark (√) in the appropriate space provided. If your answer to any of questions 6 to 10 is “YES”, you must, in an attachment, provide complete details, including the circumstances, relevant dates, names of the parties involved and final disposition, if known. **Any attachment must be initialed by the person completing this Form.** Responses must consider all time periods.

**Delivery**

**The issuer should deliver completed Forms electronically via the System for Electronic Document Analysis and Retrieval (SEDAR) under the document type “Personal Information Form and Authorization”. Access to this document type is not available to the public.**

**CAUTION**

An individual who makes a false statement commits an offence under securities legislation. Steps may be taken to verify the answers you have given in this Form, including verification of information relating to any previous criminal record.

**DEFINITIONS**

“Offence” An offence includes:

(a) a summary conviction or indictable offence under the Criminal Code (R.S., 1985, c. C-46);

(b) a quasi-criminal offence (for example under the *Income Tax Act* (R.S.C. 1985, c. 1 (5th Suppl.)), the *Immigration and Refugee Protection Act* (S.C., 2001, c. 27) or the tax, immigration, drugs, firearms, money laundering or securities legislation of any Canadian or foreign jurisdiction);

(c) a misdemeanour or felony under the criminal legislation of the United States of America, or any state or territory therein; or

(d) an offence under the criminal legislation of any other foreign jurisdiction;

NOTE: If you have received a pardon under the *Criminal Records Act* (R.S., 1985, c. C-47) for an Offence that relates to fraud (including any type of fraudulent activity), misappropriation of money or other property, theft, forgery, falsification of books or documents or similar Offences, you must disclose the pardoned Offence in this Form. In such circumstances:

(a) the appropriate written response would be “Yes, pardon granted on (date)”;  
and

(b) you must provide complete details in an attachment to this Form.

“Proceedings” means:

(a) a civil or criminal proceeding or inquiry which is currently before a court;

(b) a proceeding before an arbitrator or umpire or a person or group of persons authorized by law to make an inquiry and take evidence under oath in the matter;

(c) a proceeding before a tribunal in the exercise of a statutory power of decision making where the tribunal is required by law to hold or afford the parties to the proceeding an opportunity for a hearing before making a decision; or

(d) a proceeding before a self-regulatory entity authorized by law to regulate the operations and the standards of practice and business conduct of its members (including where applicable, issuers listed on a stock exchange) and individuals associated with those members and issuers, in which the self-regulatory entity is required under its by-laws, rules or policies to hold or afford the parties the opportunity to be heard before making a decision, but does not apply to a proceeding in which one or more persons are required to make an investigation and to make a report, with or without recommendations, if the report is for the information or advice of the person to whom it is made and does not in any way bind or limit that person in any decision the person may have the power to make;

“securities regulatory authority” or “SRA” means a body created by statute in any Canadian or foreign jurisdiction to administer securities law, regulation and policy (e.g. securities commission), but does not include an exchange or other self regulatory entity;

“self regulatory entity” or “SRE” means:

(a) a stock, derivatives, commodities, futures or options exchange;

(b) an association of investment, securities, mutual fund, commodities, or future dealers;

(c) an association of investment counsel or portfolio managers;

(d) an association of other professionals (e.g. legal, accounting, engineering); and

(e) any other group, institution or self-regulatory organization, recognized by a securities regulatory authority, that is responsible for the enforcement of rules, policies, disciplines or codes under any applicable legislation, or considered an SRE in another country.

## 1. IDENTIFICATION OF INDIVIDUAL COMPLETING FORM

<b>A.</b>	<b>LAST NAME(S)</b>	<b>FIRST NAME(S)</b>	<b>FULL MIDDLE NAME(S) (No initials. If none, please state)</b>		
	<b>NAME(S) MOST COMMONLY KNOWN BY:</b>				
	<b>NAME OF ISSUER</b>				
	<b>PRESENT or PROPOSED POSITION(S) WITH THE ISSUER – check (✓) all positions below that are applicable.</b>	<input checked="" type="checkbox"/>	<b>IF DIRECTOR / OFFICER DISCLOSE THE DATE ELECTED / APPOINTED</b>		<b>IF OFFICER – PROVIDE TITLE IF OTHER – PROVIDE DETAILS</b>
			<b>Month</b>	<b>Day</b>	<b>Year</b>
	Director				
	Officer				
	Other				

<b>B.</b>	<b>Other than the name given in Question 1A above, provide any legal names, assumed names or nicknames under which you have carried on business or have otherwise been known, including information regarding any name change(s) resulting from marriage, divorce, court order or any other process. Use an attachment if necessary.</b>	<b>FROM</b>		<b>TO</b>	
		<b>MM</b>	<b>YY</b>	<b>MM</b>	<b>YY</b>

<b>C.</b>	<b>GENDER</b>	<b>DATE OF BIRTH</b>			<b>PLACE OF BIRTH</b>		
		<b>Month</b>	<b>Day</b>	<b>Year</b>	<b>City</b>	<b>Province/State</b>	<b>Country</b>
	Male						
	Female						

<b>D.</b>	<b>MARITAL STATUS</b>	<b>FULL NAME OF SPOUSE – include common-law</b>	<b>OCCUPATION OF SPOUSE</b>

<b>E.</b>	<b>TELEPHONE AND FACSIMILE NUMBERS AND E-MAIL ADDRESS</b>			
	<b>RESIDENTIAL</b>	( )	<b>FACSIMILE</b>	( )
	<b>BUSINESS</b>	( )	<b>E-MAIL*</b>	

\* Please provide an email address that the regulator or, in Québec, the securities regulatory authority may use to contact you regarding this PIF. This email address may be used to exchange personal information relating to you.

<b>F.</b>	<b>RESIDENTIAL HISTORY – Provide all residential addresses for the past 10 YEARS starting with your current principal residential address. If you are unable to recall the complete residential address for a period which is beyond five years from the date of completion of this Form, the municipality and province or state and country must be identified. The regulator or, in Québec, the securities regulatory authority reserves the right to require the full address.</b>				
	<b>STREET ADDRESS, CITY, PROVINCE/STATE, COUNTRY &amp; POSTAL/ZIP CODE</b>	<b>FROM</b>		<b>TO</b>	
		<b>MM</b>	<b>YY</b>	<b>MM</b>	<b>YY</b>




## 2. CITIZENSHIP

	YES	NO
(i) Are you a Canadian citizen?		
(ii) Are you a person lawfully in Canada as an immigrant but are not yet a Canadian citizen?		
(iii) If "Yes" to Question 2(ii), the number of years of continuous residence in Canada:		
(iv) Do you hold citizenship in any country other than Canada?		
(v) If "Yes" to Question 2(iv), the name of the country(ies):		

## 3. EMPLOYMENT HISTORY

Provide your complete employment history for the **5 YEARS** immediately prior to the date of this Form starting with your current employment. Use an attachment if necessary. If you were unemployed during this period of time, please state this and identify the period of unemployment.

EMPLOYER NAME	EMPLOYER ADDRESS	POSITION HELD	FROM		TO	
			MM	YY	MM	YY

## 4. INVOLVEMENT WITH ISSUERS

	YES	NO
A. Are you or have you during the last 10 years ever been a director, officer, promoter, insider or control person for any reporting issuer?		

B. If "YES" to 4A above, provide the names of each reporting issuer. State the position(s) held and the period(s) during which you held the position(s). Use an attachment if necessary.

NAME OF REPORTING ISSUER	POSITION(S) HELD	MARKET TRADED ON	FROM		TO	
			MM	YY	MM	YY

	YES	NO
C. While you were a director, officer or insider of an issuer, did any exchange or other self-regulatory entity ever refuse approval for listing or quotation of the issuer, including (i) a listing resulting from a business combination, reverse take-over or similar transaction involving the issuer that is regulated by an SRE or SRA, (ii) a backdoor listing or qualifying acquisition involving the issuer (as those terms are defined in the TSX Company Manual as amended) or (iii) a Qualifying Transaction, Reverse Take Over or Change of Business involving the issuer (as those terms are defined in the TSX Venture Corporate Finance Manual as amended)? If yes, attach full particulars.		

## 5. EDUCATIONAL HISTORY

A. PROFESSIONAL DESIGNATION(S) – Identify any professional designation held and professional associations to which you belong, for example, Barrister & Solicitor, C.A., C.M.A., C.G.A., P.Eng., P.Geol., CFA, etc. and indicate which organization and the date the designations were granted.			
PROFESSIONAL DESIGNATION and MEMBERSHIP NUMBER	GRANTOR OF DESIGNATION and CANADIAN OR FOREIGN JURISDICTION	DATE GRANTED	
		MM	YY

Describe the current status of any designation and/or association (e.g. active, retired, non-practicing, suspended)

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B. Provide your post-secondary educational history starting with the most recent.					
SCHOOL	LOCATION	DEGREE OR DIPLOMA	DATE OBTAINED		
			MM	DD	YY

## 6. OFFENCES

If you answer “YES” to any item in Question 6, you must provide complete details in an attachment. **If you have received a pardon under the Criminal Records Act (R.S.C., 1985, c. C-47) for an Offence that relates to fraud (including any type of fraudulent activity), misappropriation of money or other property, theft, forgery, falsification of books or documents or similar Offences, you must disclose the pardoned Offence in this Form.**

	YES	NO
A. Have you ever, in any Canadian or foreign jurisdiction, pled guilty to or been found guilty of an Offence?		
B. Are you the subject of any current charge, indictment or proceeding for an Offence, in any Canadian or foreign jurisdiction?		
C. To the best of your knowledge, are you currently or have you <u>ever</u> been a director,		

officer, promoter, insider or control person of an issuer, in any Canadian or foreign jurisdiction, at the time of events, where the issuer:		
(i) pled guilty to or was found guilty of an Offence?		
(ii) is now the subject of any charge, indictment or proceeding for an Offence?		

## 7. BANKRUPTCY

If you answer “YES” to any item in Question 7, you **must** provide complete details in an attachment and attach a copy of any discharge, release or other applicable document. You must answer “YES” or “NO” for EACH of (A), (B) and (C), below.

	YES	NO
A. Have <u>you</u> , in any Canadian or foreign jurisdiction, within the past <b>10 years</b> had a petition in bankruptcy issued against you, made a voluntary assignment in bankruptcy, made a proposal under any bankruptcy or insolvency legislation, been subject to any proceeding, arrangement or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to manage your assets?		
B. Are you now an undischarged bankrupt?		
C. To the best of your knowledge, are you currently or have you <b>ever</b> been a director, officer, promoter, insider or control person of an <b>issuer</b> , in any Canadian or foreign jurisdiction, at the time of events, or for a period of 12 months preceding the time of events, where the issuer:		
(i) has made a petition in bankruptcy, a voluntary assignment in bankruptcy, a proposal under any bankruptcy or insolvency legislation, been subject to any proceeding, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to manage the issuer's assets?		
(ii) is now an undischarged bankrupt?		

## 8. PROCEEDINGS

If you answer “YES” to any item in Question 8, you must provide complete details in an attachment.

	YES	NO
A. <b>CURRENT PROCEEDINGS BY SECURITIES REGULATORY AUTHORITY OR SELF REGULATORY ENTITY. Are you now, in any Canadian or foreign jurisdiction, the subject of:</b>		
(i) a notice of hearing or similar notice issued by an SRA or SRE?		
(ii) a proceeding or to your knowledge, under investigation, by an SRA or SRE?		
(iii) settlement discussions or negotiations for settlement of any nature or kind whatsoever with an SRA or SRE?		
B. <b>PRIOR PROCEEDINGS BY SECURITIES REGULATORY AUTHORITY OR SELF REGULATORY ENTITY. Have you ever:</b>		
(i) been reprimanded, suspended, fined, been the subject of an administrative penalty, or been the subject of any proceedings of any kind whatsoever, in any Canadian or foreign jurisdiction, by an SRA or SRE?		
(ii) had a registration or licence for the trading of securities, exchange or commodity futures contracts, real estate, insurance or mutual fund products cancelled, refused, restricted or suspended, by an SRA or SRE?		
(iii) been prohibited or disqualified by an SRA or SRE under securities, corporate or any other legislation from acting as a director or officer of a reporting issuer or been prohibited or restricted by an SRA or SRE from acting as a director, officer or employee of, or an agent or consultant to, a reporting issuer?		
(iv) had a cease trading or similar order issued against you or an order issued against you by an SRA or SRE that denied you the right to use any statutory prospectus or registration exemption?		
(v) had any other proceeding of any nature or kind taken against you by an SRA or SRE?		

	YES	NO
<b>C. SETTLEMENT AGREEMENT(S)</b>		
Have you ever entered into a settlement agreement with an SRA, SRE, attorney general or comparable official or body, in any Canadian or foreign jurisdiction, in a matter that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading in securities or exchange or commodity futures contracts, illegal distributions, failure to disclose material facts or changes or similar conduct, or any other settlement agreement with respect to any other violation of securities legislation in a Canadian or foreign jurisdiction or the rules, by-laws or policies of any SRE?		

	YES	NO
<b>D. To the best of your knowledge, are you now or have you ever been a director, officer, promoter, insider, or control person of an issuer at the time of such event, in any Canadian or foreign jurisdiction, for which a securities regulatory authority or self regulatory entity has:</b>		
(i) refused, restricted, suspended or cancelled the registration or licensing of an issuer to trade securities, exchange or commodity futures contracts, or to sell or trade real estate, insurance or mutual fund products?		
(ii) issued a cease trade or similar order or imposed an administrative penalty of any nature or kind whatsoever against the issuer, other than an order for failure to file financial statements that was revoked within 30 days of its issuance?		
(iii) refused a receipt for a prospectus or other offering document, denied any application for listing or quotation or any other similar application, or issued an order that denied the issuer the right to use any statutory prospectus or registration exemptions?		
(iv) issued a notice of hearing, notice as to a proceeding or similar notice against the issuer?		
(v) commenced any other proceeding of any nature or kind against the issuer, including a trading halt, suspension or delisting of the issuer, in connection with an alleged or actual contravention of an SRA's or SRE's rules, regulations, policies or other requirements, but excluding halts imposed (i) in the normal course for proper dissemination of information, or (ii) pursuant to a business combination, reverse take-over or similar transaction involving the issuer that is regulated by an SRE or SRA, including a Qualifying Transaction, Reverse Takeover or Change of Business involving the issuer (as those terms are defined in the TSX Venture Corporate Finance Manual as amended)?		
(vi) entered into a settlement agreement with the issuer in a matter that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading in securities or exchange or commodity futures contracts, illegal distributions, failure to disclose material facts or changes or similar conduct by the issuer, or any other violation of securities legislation or the rules, by-laws or policies of an SRE?		

## 9. CIVIL PROCEEDINGS

If you answer "YES" to any item in Question 9, you must provide complete details in an attachment.

	YES	NO
<b>A. JUDGMENT, GARNISHMENT AND INJUNCTIONS</b>		
<b>Has a court in any Canadian or foreign jurisdiction:</b>		
(i) rendered a judgment, ordered garnishment or issued an injunction or similar ban (whether by consent or otherwise) against <u>you</u> in a claim based in whole or in part on fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?		
(ii) rendered a judgment, ordered garnishment or issued an injunction or similar ban (whether by consent or otherwise) against <u>an issuer</u> of which you are currently or have ever been a director, officer, promoter, insider or control person in a claim based in whole or in part on fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?		

		YES	NO
<b>B.</b>	<b>CURRENT CLAIMS</b>		
	(i) Are <u>you</u> now subject, in any Canadian or foreign jurisdiction, to a claim that is based in whole or in part on actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?		
	(ii) To the best of your knowledge, are you currently or have you ever been a director, officer, promoter, insider or control person of <u>an issuer</u> that is now subject, in any Canadian or foreign jurisdiction, to a claim that is based in whole or in part on actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?		

		YES	NO
<b>C.</b>	<b>SETTLEMENT AGREEMENT</b>		
	(i) Have <u>you</u> ever entered into a settlement agreement, in any Canadian or foreign jurisdiction, in a civil action that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?		
	(ii) To the best of your knowledge, are you currently or have you ever been a director, officer, promoter, insider or control person of <u>an issuer</u> that has entered into a settlement agreement, in any Canadian or foreign jurisdiction, in a civil action that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?		

**10. INVOLVEMENT WITH OTHER ENTITIES**

		YES	NO
<b>A.</b>	Has your employment in a sales, investment or advisory capacity with any employer engaged in the sale of real estate, insurance or mutual funds ever been suspended or terminated for cause? If yes, attach full particulars.		
<b>B.</b>	Has your employment with a firm or company registered under the securities laws of any Canadian or foreign jurisdiction as a securities dealer, broker, investment advisor or underwriter, ever been suspended or terminated for cause? If yes, attach full particulars.		
<b>C.</b>	Has your employment as an officer of an issuer ever been suspended or terminated for cause? If yes, attach full particulars.		

**SCHEDULE 1****PART B CERTIFICATE AND CONSENT**

I, \_\_\_\_\_ hereby certify that:  
(Please Print – Name of Individual)

- (a) I have read and understood the questions, cautions, acknowledgement and consent in the personal information form to which this certificate and consent is attached or of which this certificate and consent forms part (the "Form"), and the answers I have given to the questions in the Form and in any attachments to it are correct, except where stated to be to the best of my knowledge, in which case I believe the answers to be correct;

(b) I have been provided with and have read and understand the Personal Information Collection Policy (the "Personal Information Collection Policy") in Schedule 2 of Appendix A to Regulation 41-101 respecting General Prospectus Requirements;

(c) I consent to the collection, use and disclosure by a regulator or a securities regulatory authority listed in Schedule 3 of Appendix A to Regulation 41-101 respecting General Prospectus Requirements (collectively the "regulators") of the information in the Form and to the collection, use and disclosure by the regulators of further personal information in accordance with the Personal Information Collection Policy including the collection, use and disclosure by the regulators of the information in the Form in respect of the prospectus filings of the Issuer and the prospectus filings of any other issuer in a situation where I am or will be:

(i) a director, executive officer or promoter of such issuer,

(ii) a director or executive officer of a promoter of such issuer, if the promoter is not an individual, or

(iii) where the issuer is an investment fund, a director or executive officer of the investment fund manager; and

(d) I understand that I am providing the Form to the regulators and I am under the jurisdiction of the regulators to which I submit the Form, and it is a breach of securities legislation to provide false or misleading information to the regulators, whenever the Form is provided in respect of the prospectus filings of the Issuer or the prospectus filings of any other issuer of which I am or will be a director, executive officer or promoter.

---

**Date [within 30 days of the date of the preliminary prospectus]**

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**Signature of Person Completing this Form**

## **SCHEDULE 2 PERSONAL INFORMATION COLLECTION POLICY**

The regulators and securities regulatory authorities (the "regulators") listed in Schedule 3 of Appendix A to Regulation 41-101 respecting General Prospectus Requirements collect the personal information in the personal information form as this term is defined in Regulation 41-101 respecting General Prospectus Requirements (the "Personal Information Form"), under the authority granted to them under provincial and territorial securities legislation. Under securities legislation, the regulators do not make any of the information provided in the Personal Information Form public.

The regulators collect the personal information in the Personal Information Form for the purpose of enabling the regulators to administer and enforce provincial and territorial securities legislation, including those provisions that require or permit the regulators to refuse to issue a receipt for a prospectus if it appears to the regulators that the past conduct of management or promoters of the Issuer affords reasonable grounds for belief that the business of the Issuer will not be conducted with integrity and in the best interests of its securityholders.

You understand that by signing the certificate and consent in the Personal Information Form, you are consenting to the Issuer submitting your personal information in the Personal Information Form (the "Information") to the regulators and to the collection and use by the regulators of the Information, as well as any other information that may be necessary to administer and enforce provincial and territorial securities legislation. This may include the collection of information from law enforcement agencies, other government or non-governmental regulatory authorities, self-regulatory organizations, exchanges, and quotation and trade reporting systems in order to conduct background

checks, verify the Information and perform investigations and conduct enforcement proceedings as required to ensure compliance with provincial and territorial securities legislation. Your consent would also extend to the collection, use and disclosure of the Information as described above in respect of other prospectus filings of the Issuer and the prospectus filings of any other issuer in a situation where you are or will be a:

- (a) a director, executive officer or promoter of such issuer,
- (b) a director or executive officer of a promoter of such issuer, if the promoter is not an individual, or
- (c) where the issuer is an investment fund, a director or executive officer of the investment fund manager.

You understand that the Issuer is required to deliver the Information to the regulators because the Issuer has filed a prospectus under provincial and territorial securities legislation. You also understand that you have a right to be informed of the existence of personal information about you that is kept by regulators, that you have the right to request access to that information, and that you have the right to request that such information be corrected, subject to the applicable provisions of the freedom of information and protection of privacy legislation adopted by each province and territory.

You also understand and agree that the Information the regulators collect about you may also be disclosed, as permitted by law, where its use and disclosure is for the purposes described above. The regulators may also use a third party to process the Information, but when this happens, the third party will be carefully selected and obligated to comply with the limited use restrictions described above and with provincial and federal privacy legislation.

**Warning:** It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

### Questions

If you have any questions about the collection, use, and disclosure of the information you provide to the regulators, you may contact the regulator in the jurisdiction in which the required information is filed, at the address or telephone number listed in Schedule 3.

### SCHEDULE 3 REGULATORS AND SECURITIES REGULATORY AUTHORITIES

<b>Local Jurisdiction</b>	<b>Regulator</b>
Alberta	Securities Review Officer Alberta Securities Commission Suite 600 250 – 5th Street S.W Calgary, Alberta T2P 0R4 Telephone: 403-297-6454 E-mail: <a href="mailto:inquiries@seccom.ab.ca">inquiries@seccom.ab.ca</a> <a href="http://www.albertasecurities.com">www.albertasecurities.com</a>
British Columbia	Review Officer British Columbia Securities Commission P.O. Box 10142 Pacific Centre 701 West Georgia Street Vancouver, British Columbia V7Y 1L2 Telephone: 604-899-6854 Toll Free within British Columbia

	and Alberta: 800-373-6393 E-mail: <a href="mailto:inquiries@bcsc.bc.ca">inquiries@bcsc.bc.ca</a> <a href="http://www.bcsc.bc.ca">www.bcsc.bc.ca</a>
Manitoba	Director, Corporate Finance The Manitoba Securities Commission 500-400 St. Mary Avenue Winnipeg, Manitoba R3C 4K5 Telephone: 204-945-2548 E-mail: <a href="mailto:securities@gov.mb.ca">securities@gov.mb.ca</a> <a href="http://www.msc.gov.mb.ca">www.msc.gov.mb.ca</a>
New Brunswick	Director Corporate Finance and Chief Financial Officer New Brunswick Securities Commission 85 Charlotte Street, Suite 300 Saint John, New Brunswick E2L 2J2 Telephone: 506-658-3060 Fax: 506-658-3059 E-mail: <a href="mailto:information@nbsec-cvmb.ca">information@nbsec-cvmb.ca</a>
Newfoundland and Labrador	Director of Securities Department of Government Services and Lands P.O. Box 8700 West Block, 2nd Floor, Confederation Building St. John's, Newfoundland A1B 4J6 Telephone: 709-729-4189 <a href="http://www.gov.nf.ca/gsl/cca/s">www.gov.nf.ca/gsl/cca/s</a>
Northwest Territories	Superintendent of Securities Department of Justice Government of the Northwest Territories P.O. Box 1320, Yellowknife, Northwest Territories X1A 2L9 Telephone: 867-873- 7490 <a href="http://www.justice.gov.nt.ca/SecuritiesRegistry">www.justice.gov.nt.ca/SecuritiesRegistry</a>
Nova Scotia	Deputy Director, Compliance and Enforcement Nova Scotia Securities Commission P.O. Box 458 Halifax, Nova Scotia B3J 2P8 Telephone: 902-424-5354 <a href="http://www.gov.ns.ca/nssc">www.gov.ns.ca/nssc</a>
Nunavut	Superintendent of Securities Government of Nunavut Legal Registries Division P.O. Box 1000 – Station 570 Iqaluit, Nunavut X0A 0H0 Telephone: 867-975-6590
Ontario	Administrative Assistant to the Director of Corporate Finance Ontario Securities Commission 19th Floor, 20 Queen Street West Toronto, Ontario M5H 2S8 Telephone: 416-597-0681 E-mail: <a href="mailto:Inquiries@osc.gov.on.ca">Inquiries@osc.gov.on.ca</a> <a href="http://www.osc.gov.on.ca">www.osc.gov.on.ca</a>



Prince Edward Island	Deputy Registrar, Securities Division Shaw Building 95 Rochford Street, P.O. Box 2000, 4th Floor Charlottetown, Prince Edward Island C1A 7N8 Telephone: 902-368-4550 www.gov.pe.ca/securities
Québec	Autorité des marchés financiers 800, square Victoria, 22 <sup>e</sup> étage C.P. 246, tour de la Bourse Montréal (Québec) H4Z 1G3 Attention: Responsable de l'accès à l'information Telephone: 514-395-0337 Toll Free in Québec: 1-877-525-0337 www.lautorite.qc.ca
Saskatchewan	Director Saskatchewan Financial Services Commission Suite 601, 1919 Saskatchewan Drive Regina, Saskatchewan S4P 4H2 Telephone: 306-787-5842 www.sfsc.gov.sk.ca
Yukon	Superintendent of Securities Department of Justice Andrew A. Philipsen Law Centre 2130 – 2nd Avenue, 3rd Floor Whitehorse, Yukon Territory Y1A 5H6 Telephone: 867-667-5005

#### **SCHEDULE 4      PREVIOUSLY FILED PERSONAL INFORMATION FORMS CERTIFICATE**

In connection with the issuer's (the "Issuer") filing of a prospectus, the personal information forms of the individuals named in the table below (the "Individuals") were previously delivered to one or more regulators or securities regulatory authorities (the "Regulators") listed in Schedule 3 of Appendix "A" to Regulation 41-101 respecting General Prospectus Requirements (the "Personal Information Forms"). The Personal Information Forms contain information concerning the Individuals for whom an issuer was previously required to provide the information under Part 9 of Regulation 41-101 respecting General Prospectus Requirements, Part 4 of Regulation 44-101 respecting Short Form Prospectus Distributions or Part 2 of Regulation 81-101 respecting Mutual Fund Prospectus Disclosure.

The Issuer confirms that

- (a) a true copy of the Personal Information Form of each of the Individuals
  - (i) is attached to this certificate, as noted in the table below, or
  - (ii) was filed under the issuer name and associated SEDAR project number referenced in the table below\*;

Name of Individual	Issuer Name and Associated SEDAR project number (if known)	Personal Information Form (check the box if attached)

(b) each of the Individuals has advised the Issuer that the individual's responses to the following questions in his/her Personal Information Form remain correct as at the date noted below:

(i) questions 4(B) and (C) and questions 6 through 9 if the Personal Information Form was delivered to the Regulator before [insert effective date of amendments]; and

(ii) all of questions 6 through 10 if the Personal Information Form was delivered to the Regulator after [insert effective date of amendments]; and

(c) each Individual has advised the Issuer of the Individual's understanding that his or her statement as to the correctness of the above-noted responses in the Individual's Personal Information Form under paragraph (b) is provided to a Regulator listed in Schedule 3 of Appendix "A" to Regulation 41-101 respecting General Prospectus Requirements and that it is a breach of securities legislation to provide false or misleading information to such Regulator.

Date: \_\_\_\_\_ [within 30 days of the date of the preliminary prospectus]

\_\_\_\_\_  
Name of Issuer

Per: \_\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_  
Official Capacity

(Please print the name of the person signing on behalf of the issuer)

\* If the Personal Information Form for an Individual was not previously filed with the principal regulator of the Issuer (as the term "principal regulator" is defined in Regulation 11-102 respecting Passport System), the Issuer must attach a true copy of the Personal Information Form to this Certificate in accordance with subparagraph (a)(i) above, and may not rely on the option available under subparagraph (a)(ii) above. If such form was not previously filed with a non-principal regulator and the Issuer wishes to file its prospectus with the non-principal regulator, the non-principal regulator may request a copy of the Personal Information Form as contemplated in subparagraph (a)(i) above."

**12.** Appendix C of the Regulation is amended by replacing the words "The undersigned accepts the appointment as agent for service of process of [insert name of Issuer]" with the words "The undersigned accepts the appointment as agent for service of process of [insert name of Filing Person]".

**13.** Form 41-101F1 of the Regulation is amended:

(1) by replacing, in item 1.4, paragraphs (2) and (3) with the following:

- “(2) If there may be an over allocation position,
- (a) describe the terms of the option, and
  - (b) provide the following disclosure:

“A purchaser who acquires *[insert type of securities qualified for distribution under the prospectus]* forming part of the underwriters’ over-allocation position acquires those securities under this prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the over-allotment option or secondary market purchases.”.

“(3) If the distribution of the securities is to be on a best efforts basis and a minimum offering amount

(a) is required for the issuer to achieve one or more of the purposes of the offering, provide totals for both the minimum and maximum offering amount, or

(b) is not required for the issuer to achieve any of the purposes of the offering, state the following in boldface type:

**“There is no minimum amount of funds that must be raised under this offering. This means that the issuer could complete this offering after raising only a small proportion of the offering amount set out above.”;**

(2) by inserting, in paragraph (1) of item 1.9 and after the word “class”, the words “or series”;

- (3) by replacing item 1.12 with the following:

**“1.12. Enforcement of judgments against foreign persons**

If the issuer, a director of the issuer, a selling securityholder, or any other person that is signing or providing a certificate under Part 5 of the Regulation or other securities legislation, is incorporated, continued, or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, state the following on the cover page or under a separate heading elsewhere in the prospectus, with the bracketed information completed:

“The [issuer, director of the issuer, selling securityholder, or any other person signing or providing a certificate under Part 5 of the Regulation or other securities legislation] is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada. Although [the person described above] has appointed [name(s) and address(es) of agent(s) for service] as its agent(s) for service of process in [list jurisdictions] it may not be possible for investors to enforce judgements obtained in Canada against [the person described above].”;

- (4) by adding, at the end of item 5.4, the following sentence:

“For the purposes of this section, the alternative disclosure permitted in Instruction (ii) to section 5.4 of Form 51-102F2 does not apply.”;

- (5) by replacing, in item 6.3, paragraph (2) with the following:

“(2) If the closing of the distribution is subject to a minimum offering amount, provide disclosure of the use of proceeds for the minimum and maximum offering amounts.

“(3) If all of the following apply, disclose how the proceeds will be used by the issuer, with reference to various potential thresholds of proceeds raised, in the event that the issuer raises less than the maximum offering amount:

(a) the closing of the distribution is not subject to a minimum offering amount;

(b) the distribution of the securities is to be on a best efforts basis; and

(c) the issuer has significant short-term non-discretionary expenditures including those for general corporate purposes, or significant short-term capital or contractual commitments, and may not have other readily accessible resources to satisfy those expenditures or commitments.

“(4) If the issuer is required to provide disclosure under subsection (3), the issuer must discuss, in respect of each threshold, the impact (if any) of raising this amount on its liquidity, operations, capital resources and solvency.

“INSTRUCTIONS

*If the issuer is required to disclose the use of proceeds at various thresholds under subsections 6.3(3) and (4), include as an example a threshold that reflects the receipt of a small portion of the offering.”*

(6) by replacing, in item 8.5, “1” with “2”;

(7) by replacing, in item 10.5, the first paragraph with the following:

“If the prospectus is used to qualify the distribution of securities issued upon the exercise of special warrants or other securities acquired on a prospectus-exempt basis, provide the following disclosure in the prospectus to indicate that holders of such securities have been provided with a contractual right of rescission:”;

(8) by replacing, in item 13.1, the first paragraph with the following:

“For each class or series of securities of the issuer distributed under the prospectus and for securities that are convertible or exchangeable into those classes or series of securities, state, for the 12-month period before the date of the prospectus,”;

(9) by replacing, in item 13.2, paragraphs (1) and (2) with the following:

“(1) For the following securities of the issuer that are traded or quoted on a Canadian marketplace, identify the marketplace and the price ranges and volume traded or quoted on the Canadian marketplace on which the greatest volume of trading or quotation for the securities generally occurs;

(a) each class or series of securities of the issuer distributed under the prospectus;

(b) securities of the issuer into which those classes or series of securities are convertible or exchangeable.

“(2) For the following securities of the issuer that are not traded or quoted on a Canadian marketplace but are traded or quoted on a foreign marketplace, identify the foreign marketplace and the price ranges and volume traded or quoted on the foreign marketplace on which the greatest volume or quotation for the securities generally occurs;

(a) each class or series of securities of the issuer distributed under the prospectus;

(b) securities of the issuer into which those classes or series of securities are convertible or exchangeable.”;

(10) by inserting, after item 30.2, the following:

**“30.3. Convertible, exchangeable or exercisable securities**

In the case of an offering of convertible, exchangeable or exercisable securities, provide a statement in the following form:

“In an offering of [*state name of convertible, exchangeable or exercisable securities*], investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial [or territorial] securities legislation, to the price at which the [*state name of convertible, exchangeable or exercisable securities*] is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces [or territories], if the purchaser pays additional amounts upon [conversion, exchange or exercise] of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in such provinces [or territories]. The purchaser should refer to the applicable provisions of the purchaser’s province [or territory] for the particulars of this right of action for damages or consult with a legal adviser.”;

(11) by replacing item 32.1 with the following:

**“32.1. Interpretation of “issuer”**

1) The financial statements of an issuer required under this Item to be included in a prospectus must include

(a) the financial statements of any predecessor entity that formed, or will form, the basis of the business of the issuer, even though the predecessor entity is, or may have been, a different legal entity, if the issuer has not existed for 3 years,

(b) the financial statements of a business or businesses acquired by the issuer within 3 years before the date of the prospectus or proposed to be acquired, if a reasonable investor reading the prospectus would regard the primary business of the issuer to be the business or businesses acquired, or proposed to be acquired, by the issuer, and

(c) the restated combined financial statements of the issuer and any other entity with which the issuer completed a transaction within 3 years before the date of the prospectus or proposes to complete a transaction, if the issuer accounted for or will account for the transaction as a combination in which all of the combining entities or businesses ultimately are controlled by the same party or parties both before and after the combination, and that control is not temporary.

(2) A reporting issuer is not required to include the financial statements for an acquisition to which paragraph (1)(a) or (b) applies if

- (a) the issuer was a reporting issuer in any jurisdiction of Canada
- (i) on the date of the acquisition, in the case of a completed acquisition; or
- (ii) immediately before the filing of the prospectus, in the case of a proposed acquisition;
- (b) the issuer’s principal asset is not cash, cash equivalents, or its exchange listing; and

(c) the issuer provides disclosure in respect of the proposed or completed acquisition in accordance with Item 35.”;

(12) by replacing item 32.4 with the following:

**“32.4. Exceptions to financial statement requirements**

(1) Despite section 32.2, an issuer is not required to include the following financial statements in a prospectus

(a) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, if the issuer is a reporting issuer in at least one jurisdiction immediately before filing the prospectus,

(b) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, and the financial statements for the second most recently completed financial year, if

(i) the issuer is a reporting issuer in at least one jurisdiction immediately before filing the prospectus, and

(ii) the issuer includes financial statements for a financial year ended less than

(A) 90 days before the date of the prospectus, or

(B) 120 days before the date of the prospectus, if the issuer is a venture issuer,

(c) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, and the statement of financial position for the second most recently completed financial year, if the issuer includes financial statements for a financial year ended less than 90 days before the date of the prospectus,

(d) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, and the financial statements for the second most recently completed financial year, if

(i) the issuer is a reporting issuer in at least one jurisdiction immediately before filing the prospectus,

(ii) the issuer includes audited financial statements for a period of at least 9 months commencing the day after the most recently completed financial year for which financial statements are required under section 32.2,

(iii) the business of the issuer is not seasonal, and

(iv) none of the financial statements required under section 32.2 are for a financial year that is less than 9 months,

(e) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, and the statement of financial position for the second most recently completed financial year, if

(i) the issuer includes audited financial statements for a period of at least 9 months commencing the day after the most recently completed financial year for which financial statements are required under section 32.2,

(ii) the business of the issuer is not seasonal, and

(iii) none of the financial statements required under section 32.2 are for a financial year that is less than 9 months, or

(f) the separate financial statements of the issuer and the other entity for periods prior to the date of the transaction, if the restated combined financial statements of the issuer and the other entity are included in the prospectus under paragraph 32.1(c).

(2) Paragraphs (1)(a), (b) and (d) do not apply to an issuer

(a) whose principal asset is cash, cash equivalents or its exchange listing; or

(b) in respect of financial statements of a reverse takeover acquirer for a completed or proposed transaction by the issuer that was or will be accounted for as a reverse takeover.”;

(13) by inserting, in item 32.5 and after subparagraph (i) of paragraph (b), the following, and making the necessary changes:

“(i.1) an auditor has not issued an auditor’s report on those financial statements, and”;

(14) by adding, after item 32.6, the following:

**“32.7. Pro forma financial statements for an acquisition**

(1) Include the pro forma financial statements prescribed in subsection (2) in respect of a completed or proposed acquisition for which financial statement disclosure is required under section 32.1 if

(a) less than nine months of the acquired business operations have been reflected in the issuer’s most recent audited financial statements included in the prospectus; and

(b) the inclusion of the pro forma financial statements is necessary for the prospectus to contain full, true and plain disclosure of all material facts relating to the securities to be distributed.

(2) For the purposes of subsection (1), include the following:

(a) a pro forma statement of financial position of the issuer, as at the date of the issuer’s most recent statement of financial position included in the prospectus, that gives effect, as if it had taken place as at the date of the pro forma statement of financial position, to the acquisition that has been completed, or that will be completed, but is not reflected in the issuer’s most recent statement of financial position for an annual or interim period;

(b) a pro forma income statement of the issuer that gives effect to the acquisition completed, or that will be completed, since the beginning of the issuer’s most recently completed financial year for which it has included financial statements in its prospectus, as if it had taken place at the beginning of that financial year, for each of the following periods:

(i) the most recently completed financial year for which the issuer has included financial statements in its prospectus; and

(ii) the interim period for which the issuer has included an interim financial report in its prospectus, that started after the after the financial year referred to in subparagraph (i) and ended

(A) in the case of a completed acquisition, immediately before the acquisition date or, in the issuer's discretion, after the acquisition date; and

(B) in the case of a proposed acquisition, immediately before the date of the filing of the prospectus, as if the acquisition had been completed before the filing of the prospectus and the acquisition date were the date of the prospectus; and

(c) pro forma earnings per share based on the pro forma financial statements referred to in paragraph (b).

(3) If an issuer is required to include pro forma financial statements in its prospectus under subsections (1) and (2),

(a) the issuer must identify in the pro forma financial statements each acquisition, if the pro forma financial statements give effect to more than one acquisition,

(b) the issuer must include in the pro forma financial statements

(i) adjustments attributable to the acquisition for which there are firm commitments and for which the complete financial effects are objectively determinable;

(ii) adjustments to conform amounts for the business to the issuer's accounting policies; and

(iii) a description of the underlying assumptions on which the pro forma financial statements are prepared, cross-referenced to each related pro forma adjustment;

(c) if the financial year-end of the business differs from the issuer's year-end by more than 93 days, for the purpose of preparing the pro forma income statement of the issuer's most recently completed financial year, the issuer must construct an income statement of the business for a period of 12 consecutive months ending no more than 93 days before or after the issuer's year-end, by adding the results for a subsequent interim period to a completed financial year of the business and deducting the comparable interim results for the immediately preceding year;

(d) if a constructed income statement is required under paragraph (c), the pro forma financial statements must disclose the period covered by the constructed income statement on the face of the pro forma financial statements and must include a note stating that the financial statements of the business used to prepare the pro forma financial statements were prepared for the purpose of the pro forma financial statements and do not conform with the financial statements for the business included elsewhere in the prospectus;

(e) if an issuer is required to prepare a pro forma income statement for an interim period required by paragraph (2)(b), and the pro forma income statement for the most recently completed financial year includes results of the business which are also included in the pro forma income statement for the interim period, the issuer must disclose in a note to the pro forma financial statements the revenue, expenses, and



profit or loss from continuing operations included in each pro forma income statement for the overlapping period; and

(f) a constructed period referred to in paragraph (c) does not have to be audited.

**“32.8. Pro forma financial statements for multiple acquisitions**

Despite subsection 32.7(1), an issuer is not required to include in its prospectus the pro forma financial statements otherwise required for each acquisition, if the issuer includes in its prospectus one set of pro forma financial statements that

(a) reflects the results of each acquisition since the beginning of the issuer's most recently completed financial year for which financial statements of the issuer are included in the prospectus, and

(b) is prepared as if each acquisition had occurred at the beginning of the most recently completed financial year of the issuer for which financial statements of the issuer are included in the prospectus.

**“32.9. Exemption from financial statement disclosure for oil & gas acquisitions**

(1) The issuer is exempt from sections 32.2, 32.3 and 32.7 that apply to a completed or proposed acquisition by operation of section 32.1 if

(a) the acquisition is an acquisition of a business which is an interest in an oil and gas property;

(b) the acquisition is an acquisition to which section 32.1 applies;

(c) the acquisition is not an acquisition of securities of another issuer, unless the vendor transferred the business referenced in paragraph (1)(a) to such other issuer which

(i) was created for the sole purpose of facilitating the acquisition; and

(ii) other than assets or operations relating to the transferred business, has no

(A) substantial assets; or

(B) operating history;

(d) the issuer is unable to provide the financial statements in respect of the acquisition otherwise required under sections 32.2 and 32.3 because those financial statements do not exist or because the issuer does not have access to those financial statements;

(e) the acquisition does not constitute a reverse takeover;

(f) subject to subsections (2) and (3), in respect of the business for each of the financial periods for which financial statements would, but for this section, be required under sections 32.2 and 32.3, the prospectus includes

(i) an operating statement for the business prepared in accordance with section 3.17 of Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards (M.O. 2010-16, 10-12-03);

(ii) a pro forma operating statement of the issuer that gives effect to the acquisition completed or to be completed since the beginning of the issuer's most recently completed financial year for which financial statements are required to have been filed, as if the acquisition had taken place at the beginning of that financial year, for each of the financial periods referred to in paragraph 32.7(2)(b), unless

(A) more than nine months of the acquired business operations have been reflected in the issuer's most recent audited financial statements included in the prospectus; or

(B) the inclusion of the pro forma financial statements is not necessary for the prospectus to contain full, true and plain disclosure of all material facts relating to the securities to be distributed;

(iii) a description of the property or properties and the interest acquired by the issuer; and

(iv) disclosure of the annual oil and gas production volumes from the business;

(g) the operating statement for the three most recently completed financial years has been audited;

(h) the prospectus discloses

(i) the estimated reserves and related future net revenue attributable to the business, the material assumptions used in preparing the estimates and the identity and relationship to the issuer or to the vendor of the person who prepared the estimates; and

(ii) the estimated oil and gas production volumes from the business for the first year reflected in the estimated disclosure under subparagraph (i).

(2) An issuer is exempted from subparagraphs (1)(f)(i), (ii) and (iv), if

(a) production, gross revenue, royalty expenses, production costs and operating income were nil, or are reasonably expected to be nil for the business for each financial period; and

(b) the prospectus discloses the applicable facts referred to in paragraph (a).

(3) An issuer is exempted from paragraphs 32.9(1)(f) and (g) in respect of the third most recently completed financial year if the issuer has completed the acquisition and has included in the prospectus the following:

(a) information in accordance with Form 51-101F1 of Regulation 51-101 respecting Standards of Disclosure for Oil and Gas Activities as of a date commencing on or after the acquisition date and within 6 months of the date of the preliminary prospectus;

(b) a report in the form of Form 51-101F2 of Regulation 51-101 respecting Standards of Disclosure for Oil and Gas Activities on the reserves data included in the disclosure required under paragraph (a);

(c) a report in the form of Form 51-101F3 of Regulation 51-101 respecting Standards of Disclosure for Oil and Gas Activities that refers to the information disclosed under paragraph (a).”;

(15) in item 35.1:

- (a) by replacing paragraph (1) with the following:

“(1) This Item does not apply to

(a) a completed or proposed transaction by the issuer that was or will be a reverse takeover or a transaction that is a proposed reverse takeover that has progressed to a state where a reasonable person would believe that the likelihood of the reverse takeover being completed is high; or

- (b) a completed or proposed acquisition

- (i) by the issuer if

(A) the issuer’s principal asset is cash, cash equivalents or its exchange listing; or

(B) the issuer was not a reporting issuer in any jurisdiction

(I) on the acquisition date, in the case of a completed acquisition; and

(II) immediately before filing the prospectus, in the case of a proposed acquisition; and

(ii) to which Item 32 applies by operation of section 32.1.”;

- (b) by deleting paragraph (2);

(16) by replacing, in item 35.3, the part preceding subparagraph (i) of subparagraph (d) of paragraph (1) with the following:

“(d) the acquisition date was more than”;

(17) by replacing, in the French text of item 35.4, the word “réflétée” with the word “présentée”;

- (18) in the French text of item 35.7:

(a) by replacing, in the part preceding paragraph (a), the word “inclus” with the word “include”;

(b) by replacing, in paragraph (a), the words “au cours du dernier exercice” with the words “depuis le début du dernier exercice”.

**14.** Form 41-101F2 of the Regulation is amended:

- (1) by replacing instruction (7) with the following:

“(7) *The disclosure required in this Form must be presented in the order and using the headings specified in the Form. If no sub-heading for an Item is stipulated in this Form, an investment fund may include sub-headings, under the required headings, at its option.*”;

- (2) by replacing, in item 1.4, paragraphs (3) and (4) with the following:

“(3) If there is an over-allotment option or an option to increase the size of the distribution before closing,

- (a) describe the terms of the option, and
- (b) provide the following disclosure:

“A purchaser who acquires [*insert type of securities qualified for distribution under the prospectus*] forming part of the underwriters’ over-allocation position acquires those securities under this prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the over-allotment option or secondary market purchases.”.

“(4) If the distribution of the securities is to be on a best efforts basis, and a minimum offering amount

(a) is required for the issuer to achieve one or more of the purposes of the offering, provide totals for both the minimum and maximum offering amount, or

(b) is not required for the issuer to achieve any of the purposes of the offering, state the following in boldface type:

**“There is no minimum amount of funds that must be raised under this offering. This means that the issuer could complete this offering after raising only a small proportion of the offering amount set out above.”;**

(3) by inserting, in paragraph (4) of item 1.12 and after “including the execution, delivery and clearing”, the word “of”;

(4) by replacing item 1.14 with the following:

**“1.14. Non-Canadian Investment Fund**

If the investment fund, investment fund manager or any other person required to provide a certificate under Part 5 of the Regulation or other securities legislation, is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, state the following on the cover page or under a separate heading elsewhere in the prospectus, with the bracketed information completed:

“The [investment fund, investment fund manager or any other person required to provide a certificate under Part 5 of the Regulation or other securities legislation] is incorporated, continued or otherwise governed under the laws of a foreign jurisdiction or resides outside Canada. Although the [person described above] has appointed [name(s) and address(es) of agent(s) for service] as its agent for service of process in [list jurisdictions], it may not be possible for investors to realize on judgments obtained in Canada against the [person described above].”;

(5) in item 3.3:

(a) by replacing, in paragraph (1), subparagraph (e) with the following:

“(e) the use of leverage, including the following:

(i) if leverage is created through borrowing or the issuance of preferred securities, disclose any restrictions on the leverage used or to be used and whether the investment fund will borrow a minimum amount. Disclose the maximum amount of leverage the investment fund may use as a ratio calculated by dividing the maximum total assets of the investment fund by the net asset value of the investment fund, and

(ii) if leverage is created through the use of specified derivatives or by other means not disclosed in subparagraph (i), disclose any restrictions on

the leverage used or to be used by the investment fund and whether the investment fund will use a minimum amount of leverage. Disclose the maximum amount of leverage the fund may use as a multiple of net assets. Provide a brief explanation of how the investment fund uses the term “leverage” and the significance of the maximum and minimum amounts of leverage to the investment fund.”;

b) by adding, after paragraph (2), the following instructions:

**“INSTRUCTIONS**

(1) *For the purposes of Item 3.3(1)(e)(i), a fund must calculate its maximum total assets by aggregating the maximum value of its long positions, short positions and the maximum amount that may be borrowed.*

(2) *For the purposes of the disclosure required by Item 3.3(1)(e)(ii), the term “specified derivative” has the same meaning as in Regulation 81-102 respecting Mutual Funds. The description of an investment fund’s use of leverage under Item 3.3(1)(e)(ii) must provide investors with sufficient information to understand the magnitude of the market exposure of the investment fund as compared to the amount of money raised by the investment fund from investors.”;*

(6) by replacing, in paragraph (1) of item 3.4, the words “registrar and transfer agent and auditor” with the words “registrar and transfer agent, auditor and principal distributor”;

(7) by replacing, in item 3.6, paragraph (4) with the following:

“(4) Under the sub-heading “Annual Returns, Management Expense Ratio and Trading Expense Ratio”, provide, in the following table, returns for each of the past five years, the management expense ratio for each of the past five years and the trading expense ratio for each of the past five years as disclosed in the most recently filed annual management report of fund performance of the investment fund:

	[specify year]	[specify year]	[specify year]	[specify year]	[specify year]
Annual Returns					
MER					
TER					

“MER” means management expense ratio and is based on total expenses (excluding commissions and other portfolio transaction costs) and is expressed as an annualized percentage of daily average net asset value.

“TER” means trading expense ratio and represents total commissions and portfolio transaction costs expressed as an annualized percentage of daily average net asset value.”;

(8) in item 6.1:

(a) by replacing, in paragraph (1), subparagraph (b) with the following:

“(b) the use of leverage, including the following:

(i) if leverage is created through borrowing or the issuance of preferred securities, disclose any restrictions on the leverage used or to be used and whether the investment fund will borrow a minimum amount. Disclose the maximum amount of leverage the investment fund may use as a ratio calculated by dividing the maximum total assets of the investment fund by the net asset value of the investment fund, and

(ii) if leverage is created through the use of specified derivatives or by other means not disclosed in subparagraph (i), disclose any restrictions on the leverage used or to be used by the investment fund and whether the investment fund will use a minimum amount of leverage. Disclose the maximum amount of leverage the fund may use as a multiple of net assets. Provide a brief explanation of how the investment fund uses the term “leverage” and the significance of the maximum and minimum amounts of leverage to the investment fund, and”;

(b) by adding, after paragraph (2), the following instructions:

**“INSTRUCTIONS:**

(1) *For the purposes of Item 6.1(1)(b)(i), a fund must calculate its maximum total assets by aggregating the maximum value of its long positions, short positions and the maximum amount that may be borrowed.*

(2) *For the purposes of the disclosure required by Item 6.1(1)(b)(ii), the term “specified derivative” has the same meaning as in Regulation 81-102 respecting Mutual Funds. The description of an investment fund’s use of leverage under Item 6.1(1)(b)(ii) must provide investors with sufficient information to understand the magnitude of the market exposure of the investment fund as compared to the amount of money raised by the investment fund from investors.”;*

(9) by replacing item 11.1 with the following:

**“11.1. Annual Returns, Management Expense Ratio and Trading Expense Ratio**

Under the heading “Annual Returns, Management Expense Ratio and Trading Expense Ratio”, provide, in the following table, returns for each of the past five years, the management expense ratio for each of the past five years and the trading expense ratio for each of the past five years as disclosed in the most recently filed annual management report of fund performance of the investment fund:

	[specify year]	[specify year]	[specify year]	[specify year]	[specify year]
Annual Returns					
MER					
TER					

“MER” means management expense ratio and is based on total expenses (excluding commissions and other portfolio transaction costs) and is expressed as an annualized percentage of daily average net asset value.

“TER” means trading expense ratio and represents total commissions and portfolio transaction costs expressed as an annualized percentage of daily average net asset value.”;

(10) in item 19.1:

(a) by deleting subparagraph (c) of paragraph (1);

(b) by replacing, in paragraph (2) and after the words “officer of any other”, the words “investment fund” with the word “issuer”;

(c) by replacing, in subparagraph (a) of paragraph (4), the words “investment fund” with the word “issuer”;

(d) by inserting, after paragraph (9), the following:

“(10) Under the heading “Ownership of Securities of the Investment Fund and of the Manager” disclose

(a) the percentage of securities of each class or series of voting or equity securities beneficially owned, directly or indirectly, in aggregate, by all the directors and executive officers of the investment fund

ownership exceeds 10 percent,

(i) in the investment fund if the aggregate level of

(ii) in the manager, or

(iii) in any person that provides services to the investment fund or the manager; and

(b) the percentage of securities of each class or series of voting or equity securities beneficially owned, directly or indirectly, in aggregate, by all the directors and executive officers of the manager of the investment fund

ownership exceeds 10 percent,

(i) in the investment fund if the aggregate level of

(ii) in the manager, or

(iii) in any person that provides services to the investment fund or the manager; and

(c) the percentage of securities of each class or series of voting or equity securities beneficially owned, directly or indirectly, in aggregate, by all the independent review committee members of the investment fund

ownership exceeds 10 percent,

(i) in the investment fund if the aggregate level of

(ii) in the manager, or

(iii) in any person that provides services to the investment fund or the manager.

“(11) If the management functions of the investment fund are carried out by employees of the investment fund, provide for those employees the disclosure concerning executive compensation that is required to be provided for executive officers of an issuer under securities legislation.

“(12) Describe any arrangements under which compensation was paid or payable by the investment fund during the most recently completed financial year of the investment fund, for the services of directors of the investment fund, members of an independent board of governors or advisory board of the investment fund and members of the independent review committee of the investment fund, including the amounts paid, the name of the individual and any expenses reimbursed by the investment fund to the individual

(a) in that capacity, including any additional amounts payable for committee participation or special assignments; and

(b) as consultant or expert.

“(13) For an investment fund that is a trust, describe the arrangements, including the amounts paid and expenses reimbursed, under which compensation was paid or payable by the investment fund during the most recently

completed financial year of the investment fund for the services of the trustee or trustees of the investment fund.”;

(e) by adding, after instruction (4), the following:

*“(5) The disclosure required under Item 19.1(10) regarding executive compensation for management functions carried out by employees of an investment fund must be made in accordance with the disclosure requirements of Form 51-102F6 of Regulation 51-102 respecting Continuous Disclosure Obligations (M.O. 2005-03, 05-05-19).”;*

(11) by adding, after item 19.9, the following:

**“19.10.Principal Distributor**

(1) If applicable, state the name and address of the principal distributor of the investment fund.

(2) Describe the circumstances under which any agreement with the principal distributor of the investment fund may be terminated and include a brief description of the essential terms of this agreement.”;

(12) by replacing, in paragraph (f) of item 21.2, the word “dividends” with the word “distributions”;

(13) by replacing, in paragraph (1) of item 21.6 and after the words “proposes to distribute under”, the words “the prospectus” with the words “a prospectus”;

(14) by inserting, in paragraph (1) of item 28.1 and after the words “securityholder of the investment fund”, “, if known or if ought to be known by the investment fund or the manager”;

(15) by replacing, in the French text of item 32.3, paragraph (b) with the following:

*“b) soit toute autre amende ou sanction par un tribunal ou un organisme de réglementation ou a conclu avec celui-ci ou devant le tribunal tout autre règlement amiable qui seraient vraisemblablement considérés comme importants par un investisseur raisonnable ayant à prendre une décision d’investissement.”;*

(16) by inserting, after paragraph (3) of item 33.2, the following:

*“(4) Despite subsection (1), an auditor who is independent in accordance with the auditor’s rules of professional conduct in a jurisdiction of Canada or has performed an audit in accordance with US GAAS is not required to provide the disclosure in subsection (1) if there is disclosure that the auditor is independent in accordance with the auditor’s rules of professional conduct in a jurisdiction of Canada or that the auditor has complied with the SEC’s rules on auditor independence.”;*

(17) by inserting, after item 39.4, the following:

**“39.4.1. Certificate of the Principal Distributor**

If there is a principal distributor of the investment fund, include a certificate in the same form as the certificate of the investment fund.”.

**15.** This Regulation comes into force on (*indicate the date of coming into force of this Regulation*).