

REGULATION TO AMEND REGULATION 41-101 RESPECTING GENERAL PROSPECTUS REQUIREMENTS

Securities Act

(chapter 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) in the definition of the expression “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”;

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

““personal information form” means,

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

(b) a completed 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;

““predecessor personal information form” means,

(a) a completed Schedule 1 of Appendix A in the form that was in effect from March 17, 2008 until May 14, 2013, or

(b) a completed TSX/TSXV personal information form to which is attached a completed certificate and consent in the form that was in effect from March 17, 2008 until May 14, 2013;”;

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

““TSX/TSXV personal information form” means a personal information form for an individual pursuant to Toronto Stock Exchange Form 4 or TSX Venture Exchange Form 2A, 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 its first 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 relates to the final prospectus.

“(1.2) If an issuer files an amendment to a preliminary prospectus, the final prospectus must be filed within 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 underwriter certificate form, signed by the principal distributor.

(2) The certificate to be signed by the principal distributor must be signed by an officer or director of the principal distributor who is 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

(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;

(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 (1)(b)(ii), an issuer is not required to deliver to the regulator or, in Québec, the securities regulatory authority a personal information form for an individual if the issuer, another issuer or, if the issuer is an investment fund, the manager of the investment fund issuer or another investment fund issuer, previously delivered a personal information form for the individual and all of the following are satisfied:

(a) the certificate and consent included in or attached to the personal information form was executed by the individual within three years preceding the date of filing of the preliminary or pro-forma long form prospectus;

(b) the responses given by the individual to questions 6 through 10 of the individual's personal information form are correct as at a date that is within 30 days of the filing of the preliminary or pro-forma long form prospectus;

(c) if the personal information form was previously delivered to the regulator or, in Québec, the securities regulatory authority by another issuer, 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 copy of the previously delivered personal information form or alternative information that is satisfactory to the regulator or, in Québec, the securities regulatory authority.

(3) Until May 14, 2016, subparagraph (1)(b)(ii) does not apply to an issuer in respect of the delivery of a personal information form for an individual if the issuer or, if the issuer is an investment fund, the manager of the investment fund issuer, previously delivered to the regulator or, in Québec, the securities regulatory authority a predecessor personal information form for the individual and all of the following are satisfied:

(a) the certificate and consent included in or attached to the predecessor personal information form was executed by the individual within three years preceding the date of filing of the preliminary or pro-forma long form prospectus;

(b) the responses given by the individual to questions 4(B) and (C) and questions 6 through 9 or, in the case of a TSX/TSXV personal information form in effect after September 8, 2011, questions 6 through 10, of the individual's predecessor personal information form are correct as at a date that is within 30 days of 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) does not need to 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) does not apply unless the person is named in a prospectus or an amendment to a prospectus directly or, if applicable, in a document incorporated by reference into the prospectus or amendment,

(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, and making the necessary changes:

“(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 initialled 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;

GUIDANCE: 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

A.

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

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.	FROM		TO	
	MM	YY	MM	YY

C.

GENDER	DATE OF BIRTH			PLACE OF BIRTH		
	Month	Day	Year	City	Province/State	Country
Male						
Female						

D.

MARITAL STATUS	FULL NAME OF SPOUSE – include common-law	OCCUPATION OF SPOUSE

E.

TELEPHONE AND FACSIMILE NUMBERS AND E-MAIL ADDRESS			
RESIDENTIAL	()	FACSIMILE	()
BUSINESS	()	E-MAIL*	

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

F. 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.

STREET ADDRESS, CITY, PROVINCE/STATE, COUNTRY & POSTAL/ZIP CODE	FROM		TO	
	MM	YY	MM	YY

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, 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

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		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 takeover 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 from time to time) or (iii) 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 from time to time)? 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 ever been a director, officer, promoter, insider, or control person of an issuer, in any Canadian or foreign jurisdiction, at the time of events that resulted in the issuer:		
	(i) pleading guilty to or being found guilty of an Offence?		
	(ii) now being the subject of any charge, indictment or proceeding for an alleged 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 10 years 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 ever been a director, officer, promoter, insider or control person of an <u>issuer</u> , 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.	CURRENT PROCEEDINGS BY SECURITIES REGULATORY AUTHORITY OR SELF REGULATORY ENTITY. Are you now, in any Canadian or foreign jurisdiction, the subject of:		
	(i) a notice of hearing or similar notice issued by an SRA or SRE?		
	(ii) a proceeding of or, to your knowledge, an 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.	PRIOR PROCEEDINGS BY SECURITIES REGULATORY AUTHORITY OR SELF REGULATORY ENTITY. Have you <u>ever</u>:		
	(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 kind taken against you by an SRA or SRE?		

	YES	NO
C. SETTLEMENT AGREEMENT(S)		
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
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:		
(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 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 takeover 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 from time to time)?		
(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
A. JUDGMENT, GARNISHMENT AND INJUNCTIONS		
Has a court in any Canadian or foreign jurisdiction:		
(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?		
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		YES	NO
B.	CURRENT CLAIMS		
	(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
C.	SETTLEMENT AGREEMENT		
	(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
A.	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.	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.		
C.	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 understand 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 a 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 answered 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 the other issuer,

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

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

(d) I am aware that I am providing the Form to the regulators and I understand that I am under the jurisdiction of the regulators to which I submit the Form, and that 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]

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 also extends 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 the other issuer,
- (b) a director or executive officer of a promoter of the other issuer, if the promoter is not an individual, or
- (c) where the other 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

Local Jurisdiction	Regulator
Alberta	Securities Review Officer Alberta Securities Commission Suite 600 250 – 5th Street S.W Calgary, Alberta T2P 0R4 Telephone: 403-297-6454 E-mail: inquiries@seccom.ab.ca www.albertasecurities.com
British Columbia	Review Officer British Columbia Securities Commission P.O. Box 10142 Pacific Centre 701 West Georgia Street

	<p>Vancouver, British Columbia V7Y 1L2 Telephone: 604-899-6854 Toll Free within British Columbia and Alberta: 800-373-6393 E-mail: inquiries@bcsc.bc.ca www.bcsc.bc.ca</p>
Manitoba	<p>Director, Corporate Finance The Manitoba Securities Commission 500-400 St. Mary Avenue Winnipeg, Manitoba R3C 4K5 Telephone: 204-945-2548 E-mail: securities@gov.mb.ca www.msc.gov.mb.ca</p>
New Brunswick	<p>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: information@nbsc-cvmnb.ca</p>
Newfoundland and Labrador	<p>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 www.gov.nf.ca/gsl/cca/s</p>
Northwest Territories	<p>Superintendent of Securities Department of Justice Government of the Northwest Territories P.O. Box 1320, Yellowknife, Northwest Territories X1A 2L9 Telephone: 867-873- 7490 www.justice.gov.nt.ca/SecuritiesRegistry</p>
Nova Scotia	<p>Deputy Director Compliance and Enforcement Division Nova Scotia Securities Commission P.O. Box 458 Halifax, Nova Scotia B3J 2P8 Telephone: 902-424-5354 www.gov.ns.ca/nssc</p>
Nunavut	<p>Superintendent of Securities Government of Nunavut Legal Registries Division P.O. Box 1000 – Station 570 Iqaluit, Nunavut X0A 0H0 Telephone: 867-975-6590</p>

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: Inquiries@osc.gov.on.ca www.osc.gov.on.ca
Prince Edward Island	Superintendent of Securities Government of Prince Edward Island 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, 22e 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 Financial and Consumer Affairs Authority of Saskatchewan Suite 601, 1919 Saskatchewan Drive Regina, Saskatchewan S4P 4H2 Telephone: 306-787-5842 www.fcaa.gov.sk.ca
Yukon	Superintendent of Securities Office of the Yukon Superintendent of Securities Department of Community Services 307 Black Street, Whitehorse, Yukon, Y1A 2N1 Phone: 867-667-5466, Fax: 867-393-6251".

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) Describe the terms of any over-allotment option or any option to increase the size of the distribution before closing.

“(2.1) If there may be an over-allocation position 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:

“No minimum amount of funds 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, or any person for whom the issuer is required to file a consent under Part 10 of the Regulation, 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 other person] is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada.

[the person named below] has appointed the following agent(s) for service of process:

Name of Person	Name and Address of Agent

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.”;

(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 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 is to be on a best efforts basis;

(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 each threshold 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 15 % of the offering or less.”;

(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 in which additional amounts are payable or may become payable upon conversion, exchange or exercise, 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 [and 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 [and 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 those provinces [and territories]. The purchaser should refer to any applicable provisions of the securities legislation 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) An 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 before the acquisition 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) An issuer must include in the prospectus the pro forma financial information set out in subsection (2) if

(a) the issuer has completed or proposes an acquisition of a business for which financial statement disclosure is required under section 32.1;

(b) 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

(c) 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 is expected to 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 expected to 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 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;

(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 subsection (1),

(a) in the case where the pro forma financial statements give effect to more than one acquisition, the issuer must identify in the pro forma financial statements each 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) in the case where 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) in the case where 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) in the case where 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) In the case where sections 32.2, 32.3 and 32.7 apply to a completed or proposed acquisition by operation of section 32.1, those sections do not apply if

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

(b) the acquisition is not an acquisition of securities of another issuer, unless the vendor transferred the business referenced in paragraph (1)(a) to the other issuer and that other issuer

(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;

(c) 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;

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

(e) 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 be included in the prospectus, 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;

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

(g) 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) Subparagraphs (1)(e)(i), (ii) and (iv) do not apply if production, gross sales, royalties, production costs and operating income were nil, or are reasonably expected to be nil for the business for each financial period and the prospectus discloses that fact.

(3) Paragraphs (1)(e) and (f) do not apply 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 at 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 before the acquisition 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 “incluse”;

(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.*”;

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

“(3) Describe the terms of any over-allotment option or any option to increase the size of the distribution before closing.”.

“(3.1) If there may be an over-allocation position 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. Enforcement of Judgements Against Foreign Persons

If the investment fund, investment fund manager or any other person that is signing or providing a certificate under Part 5 of the Regulation or other securities legislation, or any person for whom the issuer is required to file a consent under Part 10 of the Regulation, 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] is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada.

[the person named below] has appointed the following agent(s) for service of process:

Name of Person	Name and Address of Agent

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.”;

(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 defines 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 based on total expenses, excluding commissions and other portfolio transaction costs, and 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 defines the term “leverage” and the significance of the maximum and minimum amounts of leverage to the investment fund, and”;

(b) by adding, after paragraph (6), 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 based on total expenses, excluding commissions and other portfolio transaction costs, and 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 owned of record or beneficially, in aggregate, by all the directors and executive officers of the investment fund

(i) in the investment fund if the aggregate level of ownership exceeds 10 percent,

(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 owned of record or beneficially, in aggregate, by all the directors and executive officers of the manager of the investment fund

(i) in the investment fund if the aggregate level of ownership exceeds 10 percent,

(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 owned of record or beneficially, in aggregate, by all the independent review committee members of the investment fund

(i) in the investment fund if the aggregate level of ownership exceeds 10 percent,

(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, disclose in respect of 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 a 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(11) 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.”.

15. This Regulation comes into force on May 14, 2013.