

— Regulation 44-101 respecting short form prospectus distributions approved by ministerial order no. 2005-24 dated November 30, 2005 (2005, *G.O.* 2, 5183);

— Regulation 51-102 respecting continuous disclosure obligations approved by ministerial order no. 2005-03 dated May 19, 2005 (2005, *G.O.* 2, 1507);

WHEREAS there is cause to amend those regulations;

WHEREAS the following draft regulations were published in the Bulletin de l'Autorité des marchés financiers, volume 9, no. 4 of January 27, 2012:

— Regulation to amend Regulation 11-102 respecting passport system;

— Regulation to amend Regulation 41-101 respecting general prospectus requirements;

— Regulation to amend Regulation 44-101 respecting short form prospectus distributions;

— Regulation to amend Regulation 51-102 respecting continuous disclosure obligations;

WHEREAS those draft regulations were made by the Autorité des marchés financiers by decision no. 2012-PDG-0037 dated March 1, 2012;

WHEREAS the draft Regulation to amend Regulation 11-102 respecting passport system is accompanied by a favourable notice from the Minister responsible for Canadian Intergovernmental Affairs;

WHEREAS there is cause to approve those regulations without amendment;

CONSEQUENTLY, the Minister for Finance approves without amendment the following regulations appended hereto:

— Regulation to amend Regulation 11-102 respecting passport system;

— Regulation to amend Regulation 41-101 respecting general prospectus requirements;

— Regulation to amend Regulation 44-101 respecting short form prospectus distributions;

— Regulation to amend Regulation 51-102 respecting continuous disclosure obligations.

3 April 2012

ALAIN PAQUET,
Minister for Finance

Regulation to amend Regulation 11-102 respecting passport system

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (9.2), (11), (33.7) and (34); S.Q. 2009, c. 58, s. 138)

1. Regulation 11-102 respecting Passport System (R.R.Q., c. V-1.1, r. 1) is amended by inserting, after section 4A.10, the following:

“PART 4B APPLICATION TO BECOME A DESIGNATED RATING ORGANIZATION

“4B.1. Specified jurisdiction

For the purposes of this Part, the specified jurisdictions are British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and New Brunswick.

“4B.2. Principal regulator – general

The principal regulator for an application by a credit rating organization to become a designated rating organization is

(a) the securities regulatory authority or regulator of the jurisdiction in which the head office of the credit rating organization is located,

(b) if the head office for a credit rating organization is not in a jurisdiction of Canada, the securities regulatory authority or regulator of the jurisdiction in which the largest branch office of the credit rating organization is located, or

(c) if neither the head office or a branch office of the credit rating organization is located in a jurisdiction of Canada, the securities regulatory authority or regulator of the jurisdiction with which the credit rating organization has the most significant connection.

“4B.3. Principal regulator – head office not in a specified jurisdiction

If the jurisdiction identified under section 4B.2 is not a specified jurisdiction, the principal regulator for the application is the securities regulatory authority or regulator of the specified jurisdiction with which the credit rating organization has the most significant connection.

“4B.4. Principal regulator – designation not sought in principal jurisdiction

If a credit rating organization is not seeking to become a designated rating organization in the jurisdiction of the principal regulator, as determined under section 4B.2 or 4B.3, as applicable, the principal regulator for the designation is the securities regulatory authority or regulator in the specified jurisdiction

(a) in which the credit rating organization is seeking the designation, and

(b) with which the credit rating organization has the most significant connection.

“4B.5. Discretionary change of principal regulator for application for designation

Despite sections 4B.2, 4B.3 and 4B.4, if a credit rating organization receives written notice from a securities regulatory authority or regulator that specifies a principal regulator for the credit rating organization's application, the securities regulatory authority or regulator specified in the notice is the principal regulator for the designation.

“4B.6. Deemed designation of a credit rating organization

(1) If an application to become a designated rating organization is made by a credit rating organization in the principal jurisdiction, the credit rating organization is deemed to be a designated rating organization in a local jurisdiction if

(a) the local jurisdiction is not the principal jurisdiction for the application,

(b) the principal regulator for the application designated the credit rating organization and that designation is in effect,

(c) the credit rating organization that applied to be designated gives notice to the securities regulatory authority or regulator that this subsection is intended to be relied upon for the designation in the local jurisdiction, and

(d) the credit rating organization complies with any terms, conditions, restrictions or requirements imposed by the principal regulator as if they were imposed in the local jurisdiction.

(2) For the purpose of paragraph (1)(c), the credit rating organization may give the notice referred to in that paragraph by giving it to the principal regulator.”

2. Appendix D of the Regulation is amended by inserting, immediately under the row containing the words “Institutional trade matching and settlement”, the following:

“ Designated rating organizations	Regulation 25-101	”.
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3. Appendix E of the Regulation is amended by inserting, after “— Regulation 24-101 respecting Institutional Trade Matching and Settlement;”, “— Regulation 25-101 respecting Designated Rating Organizations;”.

4. This Regulation comes into force on April 20, 2012.

Regulation to amend Regulation 41-101 respecting general prospectus requirements

Securities Act
(R.S.Q., c. V-1.1, s. 331.1, par. (1) and (6))

1. Form 41-101F1 of Regulation 41-101 respecting General Prospectus Requirements (R.R.Q., c. V-1.1, r. 14) is amended:

(1) by replacing section 10.9 with the following:

“10.9. Ratings

(1) If the issuer has asked for and received a credit rating, or if the issuer is aware that it has received any other kind of rating, including a stability rating or a provisional rating, from one or more credit rating organizations for securities of the issuer that are outstanding, or will be outstanding, and the rating or ratings continue in effect, disclose

(a) each rating received from a credit rating organization;

(b) for each rating disclosed under paragraph (a), the name of the credit rating organization that has assigned the rating;

(c) a definition or description of the category in which each credit rating organization rated the securities and the relative rank of each rating within the organization's overall classification system;

(d) an explanation of what the rating addresses and what attributes, if any, of the securities are not addressed by the rating;