

NOTICE

Regulation 45-102 respecting Resale of Securities

Introduction

We, the *Autorité des marchés financiers* (the “AMF”), are publishing *Regulation 45-102 respecting Resale of Securities* (the “Regulation”). The Regulation contains provisions for the resale of securities acquired under a prospectus exemption.

Policy Statement to *Regulation 45-102 respecting Resale of Securities* (the “Policy Statement”) provides guidance on how the AMF will interpret and apply the Regulation.

The Regulation is made under section 331.1 of the *Securities Act* and must be approved, with or without amendment, by the Minister of Finance. The Regulation will come into force on the date of its publication in the *Gazette officielle du Québec* or on any later date specified in the Regulation.

Provided such approval is obtained, the Regulation will come into force on September 14, 2005.

The Regulation and Policy Statement are also available on the AMF website at www.lautorite.qc.ca.

Background

The Regulation and Policy Statement were published on December 17, 2004. The comment period ended on March 17, 2005.

During the comment period, we received submissions from three commenters on the Regulation and the Policy Statement. We have considered the comments received and thank all the commenters.

After considering the comments, we have made amendments to the Regulation and the Policy Statement. However, as these changes are not material, we are not republishing the Regulation or the Policy Statement for a further comment period.

Amendments to Regulation

1. We have added wording to the Ontario-prong of the definition of *private issuer* to clarify that this prong is necessary to facilitate the resale of securities acquired under the “private issuer” exemption as it existed in 1998 OSC Rule 45-501 (as defined in the Ontario provisions of Appendix D of the Regulation).
2. We have removed proposed section 2.15 [*Resale of a security distributed to a promoter under certain exemptions - Ontario*] and Appendix G [*Promoters*], since Ontario plans to terminate the separate treatment of the resale of a security distributed to a promoter currently provided for under section 6.1 of Rule 45-501 of the Ontario Securities Commission.
3. We have reviewed the list of exemptions stipulated in Appendices D, E and F to take into account the numbering and other amendments, such as removing the exemption regarding the issuer’s incorporation.

Differences between texts

Compared with the CSA version published previously, the Regulation adopted in Québec will contain minor differences. The AMF wishes to assure market participants that the Québec text and the CSA text are substantially equivalent. These differences primarily focus on form-related matters that do not affect the substance of the Regulation or its interpretation. One of the differences relates to sections 2.5 and 2.6 of the Regulation, which were slightly amended in order to comply with the concept of “distribution” in Québec, as provided for in the *Securities Act*.

Questions

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