

chapter V-1.1, r. 20

## **REGULATION 45-102 RESPECTING RESALE OF SECURITIES**

### **Securities Act**

(chapter V-1.1, s. 331.1)

*Text boxes in this Regulation located below sections 2.14 and 2.15 refer to local regulations in Alberta and Ontario. These text boxes do not form part of this Regulation and have no official status.*

## **PART 1 DEFINITIONS**

### **1.1. Definitions**

In this Regulation

"control distribution" means a trade described in the provisions of securities legislation listed in Appendix A;

"convertible security" means a security of an issuer that is convertible into, or carries the right of the holder to purchase or otherwise acquire, or of the issuer to cause the purchase or acquisition of, a security of the same issuer;

"distribution date" means

(a) in respect of a trade that is not a control distribution, the date the security that is the subject of the trade was distributed in reliance on an exemption from the prospectus requirement by the issuer or, in the case of a control distribution, by the selling security holder,

(b) in respect of a trade that is a control distribution, the date the security that is the subject of the trade was acquired by the selling security holder,

(c) in respect of a trade of an underlying security that is not a control distribution, the date the convertible security, exchangeable security or multiple convertible security that, directly or indirectly, entitled or required the holder to acquire the underlying security was distributed in reliance on an exemption from the prospectus requirement by the issuer or, in the case of a control distribution, by the selling security holder, or

(d) in respect of a trade of an underlying security that is a control distribution, the date the convertible security, exchangeable security or multiple convertible security that, directly or indirectly, entitled or required the holder to acquire the underlying security was acquired by the selling security holder;

"exchangeable security" means a security of an issuer that is exchangeable for, or carries the right of the holder to purchase or otherwise acquire, or of the issuer to cause the purchase or acquisition of, a security of another issuer;

"multiple convertible security" means a security of an issuer that is convertible into, or exchangeable for, or carries the right of the holder to purchase or otherwise acquire, or of the issuer to cause the purchase or acquisition of, a convertible security, an exchangeable security or another multiple convertible security;

"private company" has the same meaning as in securities legislation;

"private issuer" means, as the context requires,

(a) a private issuer as defined in securities legislation, excluding paragraphs b and c;

(b) a private issuer as defined in Regulation 45-106 respecting Prospectus Exemptions (chapter V-1.1, r. 21), or

(c) in Ontario for purposes of the definition of private issuer as it existed in 1998 Ontario Securities Commission Rule 45-501, Exempt Distributions (as defined in the Ontario transitional provisions in Appendix D) prior to its repeal on November 30, 2001, a person that

(i) is not a reporting issuer or a mutual fund, within the meaning of the Ontario Securities Act (R.S.O. 1990, c. S.5);

(ii) is an issuer all of whose issued and outstanding shares

(A) are subject to restrictions on transfer contained in the constating documents of the issuer or one or more agreements among the issuer and the holders of its securities; and

(B) are beneficially owned, directly or indirectly, by not more than 50 persons counting any 2 or more joint registered holders as one beneficial owner, exclusive of persons

(l) that are employed by the issuer or an affiliated entity of the issuer, or

(II) that beneficially owned, directly or indirectly, shares of the issuer while employed by it or an affiliated entity of it and at all times since ceasing to be so employed have continued to beneficially own, directly or indirectly, at least one share of the issuer, and

(iii) has not distributed any securities to the public;

"SEDAR" has the same meaning as in Regulation 13-101 respecting The System for Electronic Document Analysis and Retrieval (SEDAR) (chapter V-1.1, r. 2);

"trade", in Québec, has the same meaning as in Regulation 45-106 respecting Prospectus Exemptions; and

"underlying security" means a security issued or transferred, or to be issued or transferred, in accordance with the terms of a convertible security, an exchangeable security or a multiple convertible security.

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M.O. 2005-21, s. 1.1; M.O. 2009-05, s. 1.

## **PART 2 FIRST TRADES**

### **2.1. Application**

In Manitoba, sections 2.2 to 2.7 and 2.10 to 2.14 do not apply.

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M.O. 2005-21, s. 2.1; M.O. 2009-05, s. 2.

### **2.2. Removal of Resale Provisions**

In Newfoundland and Labrador and Ontario, the provisions in securities legislation listed in Appendix C, respectively, do not apply.

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M.O. 2005-21, s. 2.2; M.O. 2009-05, s. 3.

### **2.3. Section 2.5 Applies**

If a security was distributed under any of the provisions listed in Appendix D, the first trade of that security is subject to section 2.5.

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M.O. 2005-21, s. 2.3.

## 2.4. Section 2.6 Applies

If a security was distributed under any of the provisions listed in Appendix E, the first trade of that security is subject to section 2.6.

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M.O. 2005-21, s. 2.4.

## 2.5. Restricted Period

(1) The trade is a distribution that does not require a prospectus if it is subject to this section in accordance with section 2.3 or other securities legislation, provided the conditions in subsection (2) are satisfied.

(2) Subject to subsection (3), for the purposes of subsection (1) the conditions are:

1. The issuer is and has been a reporting issuer in a jurisdiction of Canada for the 4 months immediately preceding the trade.

2. At least 4 months have elapsed from the distribution date.

3. If the distribution date is on or after March 30, 2004, or, in Québec, on or after September 14, 2005, and either of the following apply:

(i) if the issuer was a reporting issuer on the distribution date, the certificate representing the security, if any, carries a legend stating:

"Unless permitted under securities legislation, the holder of this security must not trade the security before [*insert the date that is 4 months and a day after the distribution date*]";

(ii) if the issuer was not a reporting issuer on the distribution date, the certificate representing the security, if any, carries a legend stating:

"Unless permitted under securities legislation, the holder of this security must not trade the security before the date that is 4 months and a day after the later of (i) [*insert the distribution date*], and (ii) the date the issuer became a reporting issuer in any province or territory.";

3.1. If the security is entered into a direct registration or other electronic book-entry system, or if the purchaser did not directly receive a certificate representing the security, the purchaser received written notice containing the legend restriction notation set out in subparagraphs (i) or (ii) of item 3.

4. The trade is not a control distribution.

5. No unusual effort is made to prepare the market or to create a demand for the security that is the subject of the trade.

6. No extraordinary commission or consideration is paid to a person in respect of the trade.

7. If the selling security holder is an insider or officer of the issuer, the selling security holder has no reasonable grounds to believe that the issuer is in default of securities legislation.

(3) Items 3 and 3.1 of subsection (2) do not apply to a trade of an underlying security if the underlying security is issued at least 4 months after the later of

(a) the distribution date, and

(b) the date the issuer became a reporting issuer in any jurisdiction of Canada.

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M.O. 2005-21, s. 2.5; M.O. 2009-05, s. 4 and 14.

## **2.6. Seasoning Period**

(1) The trade is a distribution that does not require a prospectus if it is subject to this section in accordance with section 2.4 or other securities legislation, provided the conditions in subsection (3) are satisfied.

(2) The first trade of securities issued by a private company or private issuer made after the issuer has ceased to be a private company or private issuer is a distribution that does not require a prospectus, provided the conditions in subsection (3) are satisfied.

(3) For the purposes of subsections (1) and (2), the conditions are:

1. The issuer is and has been a reporting issuer in a jurisdiction of Canada for the 4 months immediately preceding the trade.

2. The trade is not a control distribution.

3. No unusual effort is made to prepare the market or to create a demand for the security that is the subject of the trade.

4. No extraordinary commission or consideration is paid to a person in respect of the trade.

5. If the selling security holder is an insider or officer of the issuer, the selling security holder has no reasonable grounds to believe that the issuer is in default of securities legislation.

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M.O. 2005-21, s. 2.6; M.O. 2009-05, s. 14.

## **2.7. Exemption for a Trade if the Issuer Becomes a Reporting Issuer After the Distribution Date**

Item 1 of subsection 2.5(2), 2.6(3) or 2.8(2) does not apply if the issuer became a reporting issuer after the distribution date by filing a prospectus in a jurisdiction listed in Appendix B and is a reporting issuer in a jurisdiction of Canada at the time of the trade.

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M.O. 2005-21, s. 2.7.

## **2.8. Exemption for a Trade by a Control Person**

(1) The prospectus requirement does not apply to a control distribution, or a distribution by a lender, pledgee, mortgagee or other encumbrancer for the purpose of liquidating a debt made in good faith by selling or offering for sale a security pledged, mortgaged or otherwise encumbered in good faith as collateral for the debt if the security was acquired by the lender, pledgee, mortgagee or other encumbrancer in a control distribution, if the conditions in subsection (2) are satisfied.

(2) For the purposes of subsection (1), the conditions are:

1. The issuer is and has been a reporting issuer in a jurisdiction of Canada for the 4 months immediately preceding the trade.

2. The selling security holder, or the lender, pledgee, mortgagee or other encumbrancer if the distribution is for the purpose of liquidating a debt, has held the securities for at least 4 months.

3. No unusual effort is made to prepare the market or to create a demand for the security that is the subject of the trade.

4. No extraordinary commission or consideration is paid to a person in respect of the trade.

5. The selling security holder has no reasonable grounds to believe that the issuer is in default of securities legislation.

3) The selling security holder, or the lender, pledgee, mortgagee or other encumbrancer if the distribution is for the purpose of liquidating a debt, under subsection (2) must

(a) complete and sign a Form 45-102F1 no earlier than one business day before the Form 45-102F1 is filed;

(b) file the completed and signed Form 45-102F1 on SEDAR at least 7 days before the first trade of the securities that is part of the distribution; and

(c) file, within 3 days after the completion of any trade, an insider report prepared in accordance with either Form 55-102F2 or Form 55-102F6 under National Instrument 55-102 System for Electronic Disclosure by Insiders (SEDI) (chapter V-1.1, r. 30).

(4) A Form 45-102F1 filed under subsection (3) expires on the earlier of

(a) 30 days after the date the Form 45-102F1 was filed, and

(b) the date the selling security holder, or the lender, pledgee, mortgagee or other encumbrancer, files the last of the insider reports reflecting the sale of all securities referred to in the Form 45-102F1.

(5) A selling security holder, or the lender, pledgee, mortgagee or other encumbrancer must not file a new Form 45-102F1 in respect of a class of securities of a reporting issuer until the Form 45-102F1 in respect of that class of securities previously filed by that person has expired.

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M.O. 2005-21, s. 2.8; M.O. 2009-05, s. 5 and 14.

## **2.9. Determining Time Periods**

(1) In determining the period of time that an issuer was a reporting issuer in a jurisdiction of Canada for the purposes of section 2.5, 2.6 or 2.8, if the issuer was a party to an amalgamation, merger, reorganization or arrangement, the selling security holder may include the period of time that one of the parties to the amalgamation, merger, reorganization or arrangement was a reporting issuer in a jurisdiction of Canada immediately before the amalgamation, merger, reorganization or arrangement.

(2) In determining the period of time that a selling security holder has held a security for the purposes of section 2.5 or 2.8, if the selling security holder acquired the security from an affiliate of the selling security holder, the selling security holder may include the period of time that the affiliate held the security.

(3) In determining the period of time that a selling security holder has held an underlying security for the purposes of section 2.8, the selling security holder may include the period of time the selling security holder held the convertible security, exchangeable security or multiple convertible security.

(4) In determining the period of time that a lender, pledgee, mortgagee or other encumbrancer has held a security under item 2 of subsection 2.8(2), the selling security holder may include the period of time the debtor held the security.

(5) In determining the period of time that a lender, pledgee, mortgagee or other encumbrancer has held an underlying security under item 2 of subsection 2.8(2), the selling security holder may include the period of time the debtor held the convertible security, exchangeable security or multiple convertible security.

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M.O. 2005-21, s. 2.9; M.O. 2009-05, s. 6.

#### **2.10. Exemption for a Trade in an Underlying Security if the Convertible Security, Exchangeable Security or Multiple Convertible Security is Qualified by a Prospectus**

Section 2.6 does not apply to a trade in an underlying security issued or transferred under the terms of a convertible security, exchangeable security or multiple convertible security if

- (a) a receipt was obtained for a prospectus qualifying the distribution of the convertible security, exchangeable security or multiple convertible security;
- (b) the trade is not a control distribution; and
- (c) the issuer of the underlying security is a reporting issuer at the time of the trade.

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M.O. 2005-21, s. 2.10.

#### **2.11. Exemption for a Trade in a Security Acquired in a Take-over Bid or Issuer Bid**

Section 2.6 does not apply to a trade of a security of an offeror if

- (a) a securities exchange take-over bid circular or securities exchange issuer bid circular relating to the distribution of the security was filed by the offeror on SEDAR;
- (b) the trade is not a control distribution; and
- (c) the offeror was a reporting issuer on the date the securities of the offeree issuer were first taken up under the take-over bid or issuer bid.

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M.O. 2005-21, s. 2.11.



## **2.12. Exemption for a Trade in an Underlying Security if the Convertible Security, Exchangeable Security or Multiple Convertible Security is Qualified by a Securities Exchange Take-over Bid Circular or Issuer Bid Circular**

Section 2.6 does not apply to a trade in an underlying security issued or transferred under the terms of a convertible security, exchangeable security or multiple convertible security if

- (a) a securities exchange take-over bid circular or a securities exchange issuer bid circular relating to the distribution of the convertible security, exchangeable security or multiple convertible security was filed by the offeror on SEDAR;
- (b) the trade is not a control distribution;
- (c) the offeror was a reporting issuer on the date the securities of the offeree issuer were first taken up under the take-over bid or issuer bid; and
- (d) the issuer of the underlying security is a reporting issuer at the time of the trade.

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M.O. 2005-21, s. 2.12.

## **2.13. Trades by Underwriters**

A trade by an underwriter of securities distributed under any of the provisions listed in Appendix F is a distribution.

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M.O. 2005-21, s. 2.13.

## **2.14. First Trades in Securities of a Non-Reporting Issuer Distributed under a Prospectus Exemption**

- (1) The prospectus requirement does not apply to the first trade of a security distributed under an exemption from the prospectus requirement if
  - (a) the issuer of the security
    - (i) was not a reporting issuer in any jurisdiction of Canada at the distribution date, or
    - (ii) is not a reporting issuer in any jurisdiction of Canada at the date of the trade;
  - (b) at the distribution date, after giving effect to the issue of the security and any other securities of the same class or series that were issued at the same time as or as part of the same distribution as the security, residents of Canada

(i) did not own directly or indirectly more than 10% of the outstanding securities of the class or series, and

(ii) did not represent in number more than 10% of the total number of owners directly or indirectly of securities of the class or series; and

(c) the trade is made

(i) through an exchange, or a market, outside of Canada, or

(ii) to a person outside of Canada.

(2) The prospectus requirement does not apply to the first trade of an underlying security if

(a) the convertible security, exchangeable security or multiple convertible security that, directly or indirectly, entitled or required the holder to acquire the underlying security was distributed under an exemption from the prospectus requirement;

(b) the issuer of the underlying security

(i) was not a reporting issuer in any jurisdiction of Canada at the distribution date of the convertible security, exchangeable security or multiple convertible security, or

(ii) is not a reporting issuer in any jurisdiction of Canada at the date of the trade;

(c) the conditions in paragraph (1)(b) would have been satisfied for the underlying security at the time of the initial distribution of the convertible security, exchangeable security or multiple convertible security; and

(d) the condition in paragraph (1)(c) is satisfied.

(3) This section does not apply in Alberta and Ontario.

*In Ontario, section 2.7 of Ontario Securities Commission Rule 72-503 Distributions Outside Canada provides a similar exemption to the exemption in section 2.14 of this Regulation. In Alberta, Alberta Securities Commission Blanket Order 45-519 Prospectus Exemptions for Resale Outside Canada provides a similar exemption to the exemption in section 2.14 of this Regulation.*

M.O. 2005-21, s. 2.14; M.O. 2009-05 s. 14; M.O. 2018-01, s. 2.

## **2.15. First Trades in Securities of a Non-Reporting Foreign Issuer Distributed under a Prospectus Exemption**

(1) In this section

“executive officer” means, for an issuer, an individual who is

- (a) a chair, vice-chair or president;
- (b) a chief executive officer or a chief financial officer, or
- (c) in charge of a principal business unit, division or function including sales, finance or production and that fact is disclosed in any of the following documents:
  - (i) the issuer’s most recent disclosure document containing that information that is publicly available in a foreign jurisdiction where its securities are listed or quoted;
  - (ii) the offering document provided by the issuer in connection with the distribution of the security that is the subject of the trade;

“foreign issuer” means an issuer that is not incorporated or organized under the laws of Canada, or a jurisdiction of Canada, unless any of the following applies:

- (a) the issuer has its head office in Canada;
- (b) the majority of the executive officers or directors of the issuer ordinarily reside in Canada.

(2) The prospectus requirement does not apply to the first trade of a security distributed under an exemption from the prospectus requirement if all of the following apply:

- (a) the issuer of the security was a foreign issuer on the distribution date;
- (b) the issuer of the security
  - (i) was not a reporting issuer in any jurisdiction of Canada on the distribution date, or
  - (ii) is not a reporting issuer in any jurisdiction of Canada on the date of the trade;
- (c) the trade is made
  - (i) through an exchange, or a market, outside of Canada, or

(ii) to a person outside of Canada.

(3) The prospectus requirement does not apply to the first trade of an underlying security if all of the following apply:

(a) the convertible security, exchangeable security or multiple convertible security that, directly or indirectly, entitled or required the holder to acquire the underlying security was distributed under an exemption from the prospectus requirement;

(b) the issuer of the underlying security was a foreign issuer on the distribution date;

(c) the issuer of the underlying security

(i) was not a reporting issuer in any jurisdiction of Canada on the distribution date, or

(ii) is not a reporting issuer in any jurisdiction of Canada on the date of trade;

(d) the trade is made

(i) through an exchange, or a market, outside of Canada, or

(ii) to a person outside of Canada.

(4) This section does not apply in Alberta and Ontario.

*In Ontario, section 2.8 of Ontario Securities Commission Rule 72-503 Distributions Outside Canada provides a similar exemption to the exemption in section 2.15 of this Regulation. In Alberta, Alberta Securities Commission Blanket Order 45-519 Prospectus Exemptions for Resale Outside Canada provides a similar exemption to the exemption in section 2.15 of this Regulation.*

M.O. 2018-01, s. 3.

## **PART 3 EXEMPTION**

### **3.1. Exemption**

(1) The regulator or the securities regulatory authority may grant an exemption from this Regulation, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

(2) Despite subsection (1), in Ontario, only the regulator may grant such an exemption.

(3) In Québec, this exemption is granted pursuant to section 263 of the Securities Act (R.S.Q., chapter V-V-1.1).

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M.O. 2005-21, s. 3.1.

## **PART 4 EFFECTIVE DATE**

### **4.1. Effective Date**

*(Omitted).*

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M.O. 2005-21, s. 4.1.

## APPENDIX A CONTROL DISTRIBUTIONS

<b>JURISDICTION</b>	<b>SECURITIES LEGISLATION REFERENCE</b>
Alberta	Definition of "control person" in section 1(l) and subclause (iii) of the definition of "distribution" contained in section 1(p) of the Securities Act (R.S.A. 2000, c. S-4)
British Columbia	Paragraph (c) of the definition of "distribution" contained in section 1(1) of the Securities Act (R.S.B.C. 1996, c. 418)
Manitoba	Paragraph (b) of the definition of "primary distribution to the public" contained in subsection 1(1) of the Securities Act (C.C.S.M. c. S50)
Newfoundland and Labrador New Brunswick	Clause 2(1)(l)(iii) of the Securities Act (R.S.N.L. 1990, c. S-13) Definition of "control person" and clause (c) of the definition of "distribution" contained in subsection 1(1) of the Securities Act (S.N.B. 2004, c. S-5.5)
Northwest Territories	Definition of "control person" in subsection 1(1) and paragraph (c) of the definition of "distribution" contained in subsection 1(1) of the Securities Act (R.S.N.W.T. 1988, c. S-5)
Nova Scotia	Clause 2(1)(l)(iii) of the Securities Act (R.S.N.S. 1989, c. 418)
Nunavut	Definition of "control person" in subsection 1.1 and paragraph (c) of the definition of "distribution" contained in subsection 1(1) of the Securities Act (S.Nu. 2008, c. 12)
Ontario	Paragraph (c) of the definition of "distribution" contained in subsection 1(1) of the Securities Act (R.S.O. 1990, c. S.5)
Prince Edward Island	Clause 1(e) and subclause 1(k)(iii) of the Securities Act (R.S.P.E.I. 1998, c. S-3)
Québec	Paragraph 9 of the definition of "distribution" contained in section 5 of the Securities Act (R.S.Q., chapter V-1.1)
Saskatchewan	Subclauses 2(1)(r)(iii), (iv) and (v) of The Securities Act, 1988 (S.S. 1988-89, c. S-42.2)
Yukon	Definition of "control person" in subsection 1(1) and paragraph (c) of the definition of "distribution" contained in subsection 1(1) of the Securities Act (R.S.Y. 2002, c. 201)

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M.O. 2005-21, Sch. A; M.O. 2009-05, s. 7.

**APPENDIX B  
REPORTING ISSUER JURISDICTIONS**

Alberta

British Columbia

Manitoba

New Brunswick

Nova Scotia

Ontario

Québec

Saskatchewan

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M.O. 2005-21, Sch. B; M.O. 2009-05, s. 8.

**APPENDIX C  
NON-APPLICABLE RESALE PROVISIONS  
(SECTION 2.2)**

**JURISDICTION**

**Newfoundland and Labrador**

**SECURITIES LEGISLATION REFERENCE**

Clause 54(5)(a), subsections 54(7), 54(9), 54(10), 73(4), 73(5), 73(6) as it relates to clause 72(1)(r), 73(7) but not as it relates to subsections 54(6) and 54(7), 73(12), 73(18), 73(19) and 73(24) of the Securities Act (Newfoundland and Labrador) (R.S.N.L. 1990, c. S-13)

**Ontario**

Subsections 72(4), 72(5), 72(6) as it relates to clause 72(1)(r), and 72(7) of the Securities Act (Ontario) (L.R.O. 1990, s. S.5), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, (S.O. 2009, c. 18) being proclaimed in force.

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M.O. 2005-21, Sch. C; M.O. 2009-05, s. 9.



## APPENDIX D RESTRICTED PERIOD TRADES (SECTION 2.3)

1. Except in Manitoba, the following exemptions from the prospectus requirement in Regulation 45-106 respecting Prospectus Exemptions (chapter V-1.1, r. 21):

- section 2.3 [*Accredited investor*] (except in Ontario);
- section 2.5 [Family, friends and business associates];
- section 2.8 [*Affiliates*];
- section 2.9 [*Offering memorandum*];
- section 2.10 [*Minimum amount investment*];
- section 2.12 [*Asset acquisition*];
- section 2.13 [*Petroleum, natural gas and mining properties*];
- section 2.14 [*Securities for debt*];
- section 2.19 [*Additional investment in investment funds*];
- section 2.30 [*Isolated distribution by issuer*];
- section 2.31 [*Dividends and distributions*], if the security was acquired in the circumstances referred to in subsection 2.31(2) and that security was initially acquired by the issuer under
  - (a) one of the exemptions listed in this Appendix,
  - (b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of this Regulation, or
  - (c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.5 of Multilateral Instrument 45-102, Resale of Securities in effect on March 30, 2004, hereafter referred to as "MI 45-102";
- section 2.40 [*RRSP/RRIF/TFSA*], if the security acquired under section 2.40 was initially acquired by an individual or an associate of the individual or a RRSP, RRIF, or TFSA established for or by that individual or under which that individual is a beneficiary under
  - (a) one of the exemptions listed in this Appendix,

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of this Regulation, or

(c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.5 of MI 45-102;

- section 2.42 [*Conversion, exchange or exercise*], if the security acquired in the circumstances referred to in paragraph 2.42(1)(a) was acquired in accordance with the terms and conditions of a previously issued security and that previously issued security was distributed under

(a) one of the exemptions listed in this Appendix,

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of this Regulation, or

(c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.5 of MI 45-102;

- section 5.2 [*TSX Venture exchange offering*], if the security acquired under section 5.2 was acquired by

(a) a purchaser that, at the time the security was acquired, was an insider or promoter of the issuer of the security, the issuer's underwriter, or a member of the underwriter's "professional group" (as defined in Regulation 33-105 respecting Underwriting Conflicts (chapter V-1.1, r. 11)), or

(b) any other purchaser in excess of \$40,000 for the portion of the securities in excess of 40,000;

as well as the following local exemptions from the prospectus requirement:

- section 2.4 of Ontario Securities Commission Rule 72-503 *Distributions Outside of Canada*;

- section 3.1 of Alberta Securities Commission Rule 72-501 *Distributions to Purchasers Outside Alberta*;

- clauses 77(1)(u) and (w) and subclauses 77(1)(ab)(ii) and (iii) of the Securities Act (Nova Scotia);

- section 73.3 of the Securities Act (Ontario) [*Accredited Investor*];

- an exemption from the prospectus requirement in a jurisdiction of Canada that specifies that the first trade is subject to section 2.5 of this Regulation.

2. In Alberta, Ontario, Québec, New Brunswick and Nova Scotia, the exemption from the prospectus requirement in section 5 [*Crowdfunding prospectus exemption*] of Regulation 45-108 respecting Crowdfunding (chapter V-1.1, r. 21.02)

## **Transitional and Other Provisions**

### **1. General**

An exemption from the prospectus requirement listed in Appendix D of MI 45-102 or an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.5 of MI 45-102. The exemptions listed in Appendix D on March 30, 2004 were:

- Sections 131(1)(b), (c), (l), and (m) of the Securities Act (Alberta) (R.S.A. 2000, c. S-4);
- Section 122(d) and 122.2 of the Alberta Securities Commission Rules, section 3.1 of Alberta Securities Commission Rule 72-501 Distributions to Purchasers Outside Alberta, subsections 3.1(2), 4.1(2), 4.1(4), and 5.1(2) of Multilateral Instrument 45-103, Capital Raising Exemptions prior to its repeal on September 14, 2005, hereafter referred to as "MI 45-103", or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;
- Section 131(1)(f)(iii) of the Securities Act (Alberta) (R.S.A. 2000, c. S-4), if the right to purchase, convert or exchange was previously acquired under one of the above-listed exemptions under the Securities Act (Alberta), the Alberta Securities Commission Rules or MI 45-103, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;
- Sections 74(2)(1) to (6), (16), (18), (19), (23) and (25) of the Securities Act (British Columbia) (R.S.B.C. 1996, c. 418);
- Sections 128(a), (b), (c), (e), (f) and (h) of the British Columbia Securities Rules (B.C. Reg. 194/97) and subsections 3.1(2), 4.1(2), 4.1(4), and 5.1(2) of MI 45-103 or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;
- Sections 74(2)(11)(ii), 74(2)(11)(iii) and 74(2)(13) of the Securities Act (British Columbia) if the security acquired by the selling security holder or the right to purchase, convert or exchange or otherwise acquire, was initially acquired by a person under any of the sections of the Securities Act (British Columbia), the Securities Rules (British Columbia) or MI 45-103 referred to in this Appendix, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Section 74(2)(12) of the Securities Act (British Columbia) if the security acquired by the selling security holder under the realization on collateral was initially acquired by a person under any of the sections of the Securities Act (British Columbia), the Securities Rules (British Columbia) or MI 45-103 referred to in this Appendix, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Clauses 54(3)(f) and (g) and 73(1)(a), (b), (c), (d), (h), (l), (m), (p) and (q) of the Securities Act (Newfoundland and Labrador) (R.S.N.L. 1990, c. S-13), subsections 3.1(2), 4.1(2), 4.1(4), and 5.1(2) of MI 45-103, or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Subclause 73(1)(f)(iii) of the Securities Act (Newfoundland and Labrador) if the right to purchase, convert or exchange was previously acquired under one of the above listed exemptions under the Securities Act (Newfoundland and Labrador) or MI 45-103, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Paragraphs 3(a), (b), (c), (k), (l), (m), (r), (s), (t), (u), (w) and (z) of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories), subsections 3.1(2), 4.1(2), 4.1(4), 5.1(2) of MI 45-103 or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Subparagraph 3(e)(iii) of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories) if the right to purchase, convert or exchange was previously acquired under one of the above-listed exemptions under Blanket Order No. 1 of the Registrar of Securities (Northwest Territories) or MI 45-103, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Clauses 77(1)(a), (b), (c), (d), (l), (m), (p), (q), (u), (w), (y), (ab) and (ad) of the Securities Act (Nova Scotia), subsections 3.1(2), 4.1(2), 4.1(4), and 5.1(2) of MI 45-103 or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Subclause 77(1)(f)(iii) of the Securities Act (Nova Scotia) if the right to purchase, convert or exchange was previously acquired under one of the above listed exemptions under the Securities Act (Nova Scotia) or MI 45-103, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Paragraphs 3(a), (b), (c), (k), (l), (m), (r), (s), (t), (u), (w) and (z) of Blanket Order No.1 of the Registrar of Securities (Nunavut), subsections 3.1(2), 4.1(2), 4.1(4),

and 5.1(2) of MI 45-103 or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Subparagraph 3(e)(iii) of Blanket Order No.1 of the Registrar of Securities (Nunavut) if the right to purchase, convert or exchange was previously acquired under one of the above-listed exemptions under Blanket Order No. 1 of the Registrar of Securities (Nunavut) or MI 45-103, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Clauses 13(1)(a), (b), (c), (g) and (i) of the Securities Act (Prince Edward Island) (R.S.P.E.I 1988, c. S-3.1), subsections 3.1(2), 4.1(2), 4.1(4), and 5.1(2) of MI 45-103 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Subclause 13(1)(e)(iii) of the Securities Act (Prince Edward Island) if the right to purchase, convert or exchange was previously acquired under one the above-listed exemptions under the Securities Act (Prince Edward Island) or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Clauses 81(1)(a), (b), (c), (d), (m), (n), (s), (t), (v), (w), (z), (bb) and (ee) of The Securities Act, 1988 (S.S. 1988-89, c. S-42.2) (Saskatchewan) and subsections 3.1(2), 4.1(2), 4.1(4), and 5.1(2) of MI 45-103 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Subclauses 81(1)(f)(iii) and (iv) of The Securities Act, 1988 (Saskatchewan) if the convertible security, exchangeable security or multiple convertible security was acquired under one of the exemptions of The Securities Act, 1988 (Saskatchewan) or MI 45-103 referred to in this Appendix or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

- Clause 81(1)(e) of The Securities Act, 1988 (Saskatchewan) if the person from whom the securities were acquired obtained the securities under one of the exemptions of The Securities Act, 1988 (Saskatchewan) referred to in this Appendix.

## **2. Québec Provisions**

- Sections 43, 47, 48 and 51 of the Securities Act (Québec) (chapter V-1.1) as they read prior to their amendment or repeal by sections 7 and 8 of An Act to amend the Securities Act and other legislative provisions (S.Q., 2004, c. 37);

- Prospectus and registration exemptions granted pursuant to section 263 of the Securities Act (Québec) before March 30, 2004 if the exemption included as a condition a restricted period of 12 months.

### **3. Ontario Provisions**

#### **Definitions**

In this Appendix

"1998 OSC Rule 45-501" means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on December 22, 1998;

"2001 OSC Rule 45-501" means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on November 30, 2001;

"2004 OSC Rule 45-501" means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on January 12, 2004;

"2005 OSC Rule 45-501" means the Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions that came into force on September 14, 2005;

"2009 OSC Rule 45-501" means the Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions that came into force on the later of (a) September 28, 2009 and (b) the day on which sections 5 and 11, subsection 12(1) and section 13 of Schedule 26 of the Budget Measures Act (S.O. 2009, c. 18) were proclaimed in force;

"2005, Regulation 45-106" means the Regulation 45-106 respecting Prospectus and Registration Exemptions that came into effect on September 14, 2005;

"2009 Regulation 45-106" means the Regulation 45-106 respecting Prospectus and Registration Exemptions that came into effect on September 28, 2009;

"convertible security" means, in Ontario, a security of an issuer that is convertible into, or carries the right of the holder to purchase, or of the issuer to cause the purchase of, a security of the same issuer;

"exchangeable security" means, in Ontario, a security of an issuer that is exchangeable for, or carries the right of the holder to purchase, or the right of the issuer to cause the purchase of, a security of another issuer;

"exchange issuer" means, in Ontario, an issuer that distributes securities of a reporting issuer held by it in accordance with the terms of an exchangeable security of its own issue;

"multiple convertible security" means, in Ontario, a security of an issuer that is convertible into or exchangeable for, or carries the right of the holder to purchase, or of

the issuer or exchange issuer to cause the purchase of, a convertible security, an exchangeable security or another multiple convertible security;

"OSC Rule 45-502" means Ontario Securities Commission Rule 45-502 Dividend or Interest Reinvestment and Stock Dividend Plans;

"Type 1 trade" means, in Ontario, a distribution in a security under an exemption from the prospectus requirement in any of the following:

(a) clause 72(1)(a), (b), (c), (d), (l), (m), (p) or (q) of the Securities Act (Ontario) (R.S.O. 1990, c. S.5), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force;

(b) section 2.4, 2.5 or 2.11 of the 1998 OSC Rule 45-501;

(c) section 2.3, 2.12, 2.13 or 2.14 of the 2001 OSC Rule 45-501;

(d) section 2.3, 2.12, 2.13, 2.14 or 2.16 of the 2004 OSC Rule 45-501;

(e) section 2.1 and section 2.2 of the 2009 OSC Rule 45-501, and,

"underlying security" means, in Ontario, a security issued or transferred, or to be issued or transferred, in accordance with the terms of a convertible security, an exchangeable security or a multiple convertible security.

#### **(a) Securities Act (Ontario)**

Clauses 72(1)(a), (b), (c), (d), (l), (m), (p) and (q) of the Securities Act (Ontario) and subclause 72(1)(f)(iii) of the Securities Act (Ontario) if the right to purchase, convert or exchange was previously acquired under one of the above-listed exemptions under the Securities Act (Ontario), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force, or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102.

Section 73.5 of the Securities Act (Ontario) [Government incentive security].

#### **(a.1) Regulation 45-106**

Section 2.3 of Regulation 45-106 respecting Prospectus and Registration Exemptions prior to subsection 12(2) of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force.

#### **(a.2) 2005 Regulation 45-106 and 2009 Regulation 45-106**

Section 2.7 of the 2005 Regulation 45-106 and the 2009 Regulation 45-106.

**(b) 2005 OSC Rule 45-501 and 2009 OSC Rule 45-501**

Section 2.1 of the 2005 OSC Rule 45-501 and sections 2.1 and 2.2 of the 2009 OSC Rule 45-501.

**(c) 2001 OSC Rule 45-501 and 2004 OSC Rule 45-501**

Section 2.3 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501.

Section 2.11 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501 if section 2.5 of MI 45-102 would have been applicable to a first trade in that security by the person making the exempt distribution under section 2.11 of the 2001 OSC Rule 45-501 or the 2004 OSC Rule 45-501. Section 2.12 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501. Section 2.13 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501. Section 2.14 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501. Section 2.16 of the 2004 OSC Rule 45-501.

**(d) 1998 OSC Rule 45-501**

Section 2.4 of the 1998 OSC Rule 45-501.

Section 2.5 of the 1998 OSC Rule 45-501.

Section 2.11 of the 1998 OSC Rule 45-501.

**(e) Other**

Any provision under which an underlying security was distributed on conversion or exchange of a multiple convertible security, convertible security or exchangeable security acquired in a Type 1 trade or in a trade under section 2.4, 2.5 or 2.11 of the 1998 OSC Rule 45-501.

**4. New Brunswick Provisions**

In this Appendix

"2004 NB LR 45-501" means the New Brunswick Securities Commission Local Rule 45-501 that came into force on September 29, 2004;

A. Subsections 2.3(3), 2.5(2), 2.6(7), 2.7(2), 2.8(2), 2.10(2), 2.11(2), 2.12(2) and 2.17(2) of 2004 NB LR 45-501

B. Subsection 2.41(2) of 2004 NB LR 45-501 (if the security acquired under section 2.4 was initially acquired by an individual or an associate of the individual or an RRSP or RRIF established for or by that individual or under which that individual is a beneficiary under



(a) one of the exemptions in NB LR 45-501 listed in paragraph A, or

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of Multilateral Instrument 45-102 Resale of Securities)

C. Subsection 2.43(3) (if the security acquired under paragraph 2.43(1)(a) was acquired in accordance with the terms and conditions of a previously issued security under

(a) one of the exemptions in 2005 NB LR 45-501 listed in paragraph A,  
or

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of Multilateral Instrument, 45-102 Resale of Securities)

D. Section 5.2 of 2004 NB LR 45-501

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M.O. 2005-21, Sch. D; Erratum, 2005 G.O. 2, 5115; M.O. 2009-05, s. 10 and 14; M.O. 2015-19, s. 1; M.O. 2016-02, s. 1; I.N. 2017-05-01; M.O. 2018-01, s. 4; I.N. 2018-09-01.

## **APPENDIX E SEASONING PERIOD TRADES (SECTION 2.4)**

Except in Manitoba, the following exemptions from the prospectus requirement in Regulation 45-106 respecting Prospectus Exemptions (chapter V-1.1, r. 21):

- section 2.1 [*Rights offering – reporting issuer*];
- section 2.1.1 [*Rights offering – stand-by commitment*];
- section 2.1.2 [*Rights offering – issuer with a minimal connection to Canada*]
- section 2.2 [*Reinvestment plan*];
- section 2.4 [*Private issuer*], except in Ontario;
- section 2.11 [*Business combination and reorganization*];
- section 2.16 [*Take-over bid and issuer bid*];
- section 2.17 [*Offer to acquire to security holder outside local jurisdiction*];
- -section 2.18 [*Investment fund reinvestment*];
- section 2.20 [*Private investment club*];
- section 2.21 [*Private investment fund - loan and trust pools*];
- section 2.24 [*Employee, executive officer, director and consultant*];
- section 2.26 [*Distributions among current or former employees, executive officers, directors or consultants of non-reporting issuer*];
- section 2.27 [*Permitted transferees*];
- section 2.31 [*Dividends and distributions*], if the security was acquired in the circumstances referred to in subsection 2.31(2), that security was initially acquired by the issuer under
  - (a) one of the exemptions listed in this Appendix,
  - (b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of this Regulation, or
  - (c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.6 of Multilateral

Instrument 45-102, Resale of Securities in effect on March 30, 2004, hereafter referred to as "MI 45-102";

- section 2.40 [*RRSP/RRIF/TFSA*], if the security acquired under section 2.40 was initially acquired by an individual or an associate of the individual or a RRSP, RRIF, or TFSA established for or by that individual or under which that individual is a beneficiary under

(a) one of the exemptions listed in this Appendix,

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of this Regulation, or

(c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.6 of MI 45-102;

- section 2.42 [*Conversion, exchange or exercise - security of own issue*], if the security acquired in the circumstances referred to in paragraph 2.42 (1)(a) was acquired in accordance with the terms and conditions of a previously issued security and that previously issued security was distributed under

(a) one of the exemptions listed in this Appendix,

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of this Regulation, or

(c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.6 of MI 45-102;

- section 2.42 [*Conversion, exchange or exercise - security of a reporting issuer*] for a security being traded in the circumstances referred to in clause (b) of subsection 2.42(1);

as well as the following local exemptions from the prospectus requirement:

- Alberta Securities Commission Rule 45-502 Trade with RESP, if not included in Appendix D;

- Nova Scotia Securities Commission Blanket Order No. 46;

- Section 73.4 of the Securities Act (Ontario) [Private Issuer];

- Prince Edward Island Local Rule 45-510 - Exempt Distributions - Exemptions for Trades Pursuant to Take-over Bids and Issuer Bids;

- an exemption from the prospectus requirement in a jurisdiction of Canada that specifies that the first trade is subject to section 2.6 of this Regulation.

## **Transitional and Other Provisions**

### **1. General:**

An exemption from the prospectus requirement listed in Appendix E of MI 45-102 in effect on March 30, 2004 or an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.6 of MI 45-102. The exemptions listed in Appendix E of MI 45-102 on March 30, 2004 were:

- Section 131(1)(f) if not included in Appendix D, sections 131(1)(h), (i), (j), (k), and (y) of the Securities Act (Alberta) (R.S.A. 2000, c. S4) and sections 107(1) (j.1) and (k.1) prior to their repeal by section 5 of the Securities Amendment Act, 1989 (Alberta), subsection 2.1(2) of Multilateral Instrument 45-103, Capital Raising Exemptions prior to its repeal on September 14, 2005, hereafter referred to as "MI 45-103", and sections 2.1, 2.2, 2.3 and 2.4 of Multilateral Instrument 45-105, Trades to Employees, Senior Officers, Directors and Consultants Exemptions prior to its repeal on September 14, 2005, hereafter referred to as "MI 45-105" or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

- Section 74(2)(11)(iii) if not included in Appendix D or F and sections 74(2)(7), (8) if not included in Appendix F, (9) to (11), (13), (22) and (24) of the Securities Act (British Columbia) (R.S.B.C. 1996, c. 418);

- Section 128(g) of the Securities Rules (British Columbia), section 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

- Section 74(2)(12) of the Securities Act (British Columbia), if the security acquired by the selling security holder under the realization on collateral was initially acquired by a person under any of the sections of the Securities Act (British Columbia), the Securities Rules (British Columbia) or a multilateral instrument referred to in this Appendix or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

- Clauses 54(3) and 73(1)(f) if not included in Appendix D or F, (i) if not included in Appendix F, (j), (k) and (n) of the Securities Act (Newfoundland and Labrador) (R.S.N.L. 1990, c. S-13), subsection 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

- Paragraphs 3(e), (f), (g), (h), (i), (n), (x), (y) and (mm) of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories), except for a trade made under subparagraph 3(e)(iii) of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories) that is included in Appendix D or F or a trade made under paragraph 3(g) that is included in Appendix F, subsection 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

- Clause 77(1)(f) of the Securities Act (Nova Scotia) (R.S.N.S. 1989, c. 418) if not included in Appendix D or F, and clauses 77(1)(h), (i) if not included in Appendix F, (j), (k), (n), (v), (va), (ac), (ae) and (af) of the Securities Act (Nova Scotia), and clause 78(1)(a) of the Securities Act (Nova Scotia) as it relates to clause 41(2)(j) of the Securities Act (Nova Scotia) and Blanket Order No. 37, 38 if not included in Appendix F, 46 and 45-503 if not included in Appendix F, subsection 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

- Paragraphs 3(e), (f), (g), (h), (i), (n), (x), (y) and (mm) of Blanket Order No. 1 of the Registrar of Securities (Nunavut), except for a trade made under subparagraph 3(e)(iii) of Blanket Order No. 1 of the Registrar of Securities (Nunavut) that is included in Appendix D or F or a trade made under paragraph 3(g) that is included in Appendix F, subsection 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

- Clauses 13(1)(e) if not included in Appendix D or F, (f) if not included in Appendix F, (h) and (k) of the Securities Act (Prince Edward Island) (R.S.P.E.I. 1998, c. S-3) or section 3.1 or 3.2 of Rule 45-501, section 1.1 of Prince Edward Island Rule 45-502, section 2.1 or 2.2 of Prince Edward Island Rule 45-506 or section 2.1 or 2.2 of Prince Edward Island Rule 45-510, subsection 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

- Clauses 81(1)(a.1), (e) if not included in Appendix D, (f) if not included in Appendix D or F, (f.1), (g), (h), (i) if not included in Appendix F, (i.1), (j), (k), (o), (cc) and (dd) of The Securities Act, 1988 (S.S. 1988-89, c. S-42-2) (Saskatchewan), subsection 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102.

## **2. Québec Provisions**

- Sections 50 and 52 of the Securities Act (Québec) (chapter V-1.1) as they read prior to their repeal by section 8 of An Act to amend the Securities Act and other legislative provisions (S.Q. 2004, c. 37);

- Prospectus and registration exemptions granted pursuant to section 263 of the Securities Act (Québec) before March 30, 2004 if the exemption included as a condition a seasoning period of 12 months.

### **3. Ontario provisions Definitions**

In this Appendix

"1998 OSC Rule 45-501" means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on December 22, 1998;

"2001 OSC Rule 45-501" means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on November 30, 2001;

"2004 OSC Rule 45-501" means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on January 12, 2004;

"convertible security" means, in Ontario, a security of an issuer that is convertible into, or carries the right of the holder to purchase, or of the issuer to cause the purchase of, a security of the same issuer;

"exchangeable security" means, in Ontario, a security of an issuer that is exchangeable for, or carries the right of the holder to purchase, or the right of the issuer to cause the purchase of, a security of another issuer;

"exchange issuer" means, in Ontario, an issuer that distributes securities of a reporting issuer held by it in accordance with the terms of an exchangeable security of its own issue;

"multiple convertible security" means, in Ontario, a security of an issuer that is convertible into or exchangeable for, or carries the right of the holder to purchase, or of the issuer or exchange issuer to cause the purchase of, a convertible security, an exchangeable security or another multiple convertible security;

"OSC Rule 45-502" means Ontario Securities Commission Rule 45-502 Dividend or Interest Reinvestment and Stock Dividend Plans;

"OSC Rule 45-503" means Ontario Securities Commission Rule 45-503 Trades to Employees, Executives and Consultants;

"Type 1 trade" means, in Ontario, a distribution in a security under an exemption from the prospectus requirement in:

(a) clause 72(1)(a), (b), (c), (d), (l), (m), (p) or (q) of the Securities Act (Ontario) (R.S.O. 1990, c. S.5), in each case prior to section 11 of Schedule 26 of the Budget Measures Act (S.O. 2009, c. 18) being proclaimed in force;

- (b) section 2.4, 2.5 or 2.11 of the 1998 OSC Rule 45-501;
- (c) section 2.3, 2.12, 2.13 or 2.14 of the 2001 OSC Rule 45-501; or
- (d) section 2.3, 2.12, 2.13, 2.14 or 2.16 of the 2004 OSC Rule 45-501; and

"Type 2 trade" means, in Ontario, a distribution in a security under an exemption from the prospectus requirement in:

(a) clause 72(1)(f) of the Securities Act (Ontario), prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force, other than a distribution to an associated consultant or investor consultant as defined in OSC Rule 45-503 or a distribution to an associated consultant or investor relations person as defined in MI 45-105;

(b) clause 72(1)(h), (i), (j), (k) or (n) of the Securities Act (Ontario), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force; or

(c) section 2.5, 2.8 or 2.15 of the 2001 OSC Rule 45-501; or

(d) section 2.5, 2.8 or 2.15 of the 2004 OSC Rule 45-501; and

"underlying security" means, in Ontario, a security issued or transferred, or to be issued or transferred, in accordance with the terms of a convertible security, an exchangeable security or a multiple convertible security.

**(a) Securities Act (Ontario)**

Clauses 72(1)(f), (i) if not included in Appendix F, (j), (k) and (n) of the Securities Act (Ontario), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force, except for a trade made under 72(1)(f)(iii) of the Securities Act (Ontario), prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force, that is:

(i) included in Appendix D or F of this Regulation, or

(ii) contemplated by section 6.5 of 2004 OSC Rule 45-501; and

(iii) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102

Clause 72(1)(h) of the Securities Act (Ontario) except for a distribution under clause 72(1)(h) of the Securities Act (Ontario) of an underlying security that was distributed on conversion or exchange of a multiple convertible security, convertible

security or exchangeable security acquired in a Type 1 trade, in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force.

**(a.1) Regulation 45-106**

Section 2.4 of Regulation 45-106 respecting Prospectus and Registration Exemptions prior to subsection 12(2) of Schedule 26 of the Budget Measures Act 2009, being proclaimed in force.

**(b) 2001 OSC Rule 45-501 and 2004 OSC Rule 45-501**

Section 2.1 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501.

Section 2.5 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501.

Section 2.6 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501 if an underlying security was distributed under section 2.6 of the 2001 OSC Rule 45-501 or the 2004 OSC Rule 45-501 on a forced conversion or exchange of a multiple convertible security, convertible security or exchangeable security acquired:

- (a) in a Type 2 trade;
- (b) under section 2.2, 3.1, 3.2, 3.3, 5.1 or 8.1 of OSC Rule 45-503, other than a trade by an associated consultant or investor consultant as defined in OSC Rule 45-503; or
- (c) under a provision in Part 2 of MI 45-105.

Section 2.7 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501 if an underlying security was distributed under section 2.7 of the 2001 OSC Rule 45-501 or the 2004 OSC Rule 45-501 on a forced conversion or exchange of a multiple convertible security, convertible security or exchangeable security acquired:

- (a) in a Type 2 trade;
- (b) under section 2.2, 3.1, 3.2, 3.3, 5.1 or 8.1 of OSC Rule 45-503, other than a trade by an associated consultant or investor consultant as defined in OSC Rule 45-503; or
- (c) under a provision in Part 2 of MI 45-105.

Section 2.8 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501.

Section 2.11 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501 if section 2.6 of MI 45-102 would have been applicable to a first trade in that security by the



person making the exempt distribution under section 2.11 of the 2001 OSC Rule 45-501 or the 2004 OSC Rule 45-501.

Section 2.15 of the 2004 OSC Rule 45-501.

**(c) 1998 OSC Rule 45-501**

Section 2.7 of the 1998 OSC Rule 45-501.

Section 2.8 of the 1998 OSC Rule 45-501.

Section 2.9 of the 1998 OSC Rule 45-501 if an underlying security was distributed under section 2.9 of the 1998 OSC Rule 45-501 on a forced conversion or exchange of a multiple convertible security, convertible security or exchangeable security acquired by the holder in a Type 2 trade.

Section 2.10 of the 1998 OSC Rule 45-501 if an underlying security was distributed under section 2.10 of the 1998 OSC Rule 45-501 on a forced conversion or exchange of a multiple convertible security, convertible security or exchangeable security acquired by the holder in a Type 2 trade.

Section 2.17 of the 1998 OSC Rule 45-501.

Subsection 2.18(1) of the 1998 OSC Rule 45-501 after the issuer had ceased to be a private issuer for the purposes of the Securities Act (British Columbia).

**(d) Other**

Sections 2.1 and 3.1 of Ontario Securities Commission Rule 45-502.

**4. New Brunswick Provisions**

In this Appendix

"2004 NB LR 45-501" means the New Brunswick Securities Commission Local Rule 45-501 that came into force on September 29, 2004;

A. Subsections 2.1(2), 2.2(3), 2.4(2), 2.9(2), 2.14(2), 2.16(3), 2.18(2), 2.19(2), 2.22(4), 2.25(3), 2.26(4), 2.29(3), 2.30(2) and 2.31(3) of 2004 NB LR 45-501

B. Subsection 2.41(2) of 2004 NB LR 45-501 (if the security acquired under section 2.4 was initially acquired by an individual or an associate of the individual or an RRSP or RRIF established for or by that individual or under which that individual is a beneficiary under

(a) one of the exemptions in NB LR 45-501 listed in paragraph A, or

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of Multilateral Instrument 45-102 Resale of Securities)

C. Subsection 2.43(3) (if the security acquired under paragraph 2.43(1)(a) was acquired in accordance with the terms and conditions of a previously issued security under

(a) one of the exemptions in 2005 NB LR 45-501 listed in paragraph A,  
or

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of Multilateral Instrument, 45-102 Resale of Securities)

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M.O. 2005-21, Sch. E; M.O. 2009-05, s. 11 and 14; M.O. 2015-18, s. 1; I.N. 2018-09-01.

## **APPENDIX F UNDERWRITERS (SECTION 2.13)**

Section 2.33 [Acting as underwriter] of Regulation 45-106 respecting Prospectus Exemptions (chapter V-1.1, r. 21) and section 2.11 [Business combination and reorganization] or subsection 2.42 (1) [Conversion, exchange or exercise] of Regulation 45-106 respecting Prospectus Exemptions, if the original security was acquired under section 2.33 of Regulation 45-106 respecting Prospectus Exemptions or one of the underwriter exemptions in the transitional provisions listed below

### **Transitional Provisions:**

Except in New Brunswick, an exemption from the prospectus requirement listed in Appendix F of MI 45-102 in effect on March 30, 2004. Except in New Brunswick, exemptions listed in Appendix F of MI 45-102 on March 30, 2004 were:

- Section 74(2)(15) of the Securities Act (British Columbia) (R.S.B.C. 1996, c. 418) and section 74(2)(8) or 74(2)(11)(iii) of the Securities Act (British Columbia) if the original security was acquired under section 74(2)(15) of the Securities Act (British Columbia);
- Clause 73(1)(r) of the Securities Act (Newfoundland and Labrador) (R.S.N.L. 1992, c. S-13) and section 73(1)(i) or 73(1)(f)(iii) of the Securities Act (Newfoundland and Labrador) if the original security was acquired under section 73(1)(r) of the Securities Act (Newfoundland and Labrador);
- Paragraph 3(v) of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories) and paragraph 3(g) or subparagraph 3(e)(iii) of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories) if the original security was acquired under paragraph 3(v) of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories);
- Clause 77(1)(r) of the Securities Act (Nova Scotia) (R.S.N.S. 1989, c. 418) and clause 77(1)(i) or 77(1)(f)(iii) of the Securities Act (Nova Scotia) or Blanket Order No. 38 or 45-503 if the original security was acquired under clause 77(1)(r) of the Securities Act (Nova Scotia);
- Paragraph 3(v) of Blanket Order No. 1 of the Registrar of Securities (Nunavut) and paragraph 3(g) or subparagraph 3(e)(iii) of Blanket Order No. 1 of the Registrar of Securities (Nunavut) if the original security was acquired under paragraph 3(v) of Blanket Order No. 1 of the Registrar of Securities (Nunavut);
- Clause 72(1)(f)(iii) of the Securities Act (Ontario) (R.S.O. 1990, c. S.5) if the original security was acquired under clause 72(1)(r) of the Securities Act (Ontario), in each case prior to section 11 of Schedule 26 of the Budget Measures Act (S.O. 2009, c. 18) being proclaimed in force;

- Clause 72(1)(i) of the Securities Act (Ontario) if the original security was acquired under clause 72(1)(r) of the Securities Act (Ontario), in each case prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force;
- Clause 72(1)(r) of the Securities Act (Ontario), prior to section 11 of Schedule 26 of the Budget Measures Act, 2009 being proclaimed in force;
- Section 2.1 of Prince Edward Island Rule 45-509 and subclause 13(1)(e)(iii) or clause 13(1)(f) of the Securities Act (Prince Edward Island) (R.S.P.E.I. 1988, c. S-3) or section 1.1 of Prince Edward Island Rule 45-502 if the original security was acquired under section 2.1 of Prince Edward Island Rule 45-509;
- Section 55 of the Securities Act (Québec) (chapter V-1.1) as it read prior to its repeal by section 8 of An Act to amend the Securities Act and other legislative provisions (S.Q. 2004, c. 37); and
- Clause 81(1)(u) of The Securities Act, 1988 (S.S. 1988-89, c. S-42.2) (Saskatchewan) and clause 81(1)(i) or subclause 81(1)(f)(iii) of The Securities Act, 1988 (Saskatchewan) if the original security was acquired under clause 81(1)(u) of The Securities Act, 1988 (Saskatchewan).

**New Brunswick Provisions:**

In New Brunswick, an exemption from the prospectus requirement listed in New Brunswick Securities Commission Local Rule 45-501 in effect on September 29, 2004 (2004 NB LR 45-501).

In New Brunswick, the exemptions listed in 2004 NB LR 45-501 were:

- Subsection 2.33(2); and
- Subsection 2.43(3) if the original security was acquired under section 2.09.

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M.O. 2005-21, Sch. F; M.O. 2009-05, s. 12.

**FORM 45-102F1  
NOTICE OF INTENTION TO DISTRIBUTE SECURITIES UNDER SECTION 2.8 OF  
REGULATION 45-102 RESPECTING RESALE OF SECURITIES**

**Reporting issuer**

1. Name of reporting issuer:

**Selling security holder**

2. Your name:
3. The offices or positions you hold in the reporting issuer:
4. Are you selling securities as a lender, pledgee, mortgagee or other encumbrancer?
5. Number and class of securities of the reporting issuer you beneficially own:

**Distribution**

6. Number and class of securities you propose to sell:
7. Will you sell the securities privately or on an exchange or market? If on an exchange or market, provide the name.

**Warning**

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

**Certificate**

I certify that

- (1) I have no knowledge of a material fact or material change with respect to the issuer of the securities that has not been generally disclosed; and

(2) the information given in this form is true and complete.

Date \_\_\_\_\_

\_\_\_\_\_  
Your name (Selling security holder)

\_\_\_\_\_  
Your signature (or if a company, the  
signature of your authorized signatory)

\_\_\_\_\_  
Name of your authorized signatory

**INSTRUCTION:**

File this form electronically through SEDAR with the securities regulatory authority or regulator in each jurisdiction where you sell securities and with the Canadian exchange on which the securities are listed. If the securities are being sold on an exchange, the form should be filed in every jurisdiction across Canada.

**Notice to selling security holders - collection and use of personal information**

The personal information required in this form is collected for and used by the listed securities regulatory authorities or regulators to administer and enforce securities legislation in their jurisdictions. This form is publicly available by authority of Regulation 45-102 respecting Resale of Securities (chapter V-1.1, r. 20) and the securities legislation in each of the jurisdictions. The personal information collected will not be used or disclosed other than for the stated purposes without first obtaining your consent. Corporate filers should seek the consent of any individuals whose personal information appears in this form before filing this form.

If you have questions about the collection and use of your personal information, or the personal information of your authorized signatory, contact any of the securities regulatory authorities or regulators listed below.

**British Columbia Securities Commission**

P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC V7Y 1L2  
Attention: Assistant Manager, Financial Reporting  
Telephone: (604) 899-6805 or (800) 373-6393 (in B.C.)  
Facsimile: (604) 899-6506

**Alberta Securities Commission**

Suite 600, 250 - 5th Street SW  
Calgary, AB T2P 0R4  
Attention: Information Officer  
Telephone: (403) 297-6454  
Facsimile: (403) 297-6156

**Saskatchewan Financial Services Commission  
Securities Division**

601 - 1919 Saskatchewan Drive  
Regina, SK S4P 4H2  
Attention: Deputy Director, Legal/Registration  
Telephone: (306) 787-5879  
Facsimile: (306) 787-5899

**Ontario Securities Commission**

20 Queen Street West  
22<sup>nd</sup> Floor  
Toronto, ON M5H 3S8  
Telephone: (416) 593-8314  
Toll free in Canada: 1-877-785-1555  
Facsimile: (416) 593-8122  
Public official contact regarding collection of personal information: Inquiries Officer

**Autorité des marchés financiers**

Tour de la Bourse  
800 square Victoria  
C.P. 246, 22<sup>e</sup> étage  
Montréal, Québec H4Z 1G3  
Attention: Responsable de l'accès à l'information  
Telephone: (514) 395-0337  
Toll free: 1-877-525-0337  
Facsimile: (514) 873-6155 (For filing purposes only)  
Facsimile: (514) 864-6381 (For privacy requests only)  
[www.lautorite.qc.ca](http://www.lautorite.qc.ca)

**New Brunswick Securities Commission**

85 Charlotte Street, Suite 300  
Saint John, New Brunswick E2L 2J2  
Telephone: (506) 658-3060  
Toll Free in New Brunswick 1-866-933-2222  
Facsimile: (506) 658-3059

**Nova Scotia Securities Commission**

Suite 400, 5251 Duke Street  
Halifax, Nova Scotia B3J 1P3  
Attention: Corporate Finance  
Telephone: (902) 424-7768  
Facsimile: (902) 424-4625

**Prince Edward Island Securities Office**

95 Rochford Street, P.O. Box 2000  
Charlottetown, Prince Edward Island C1A 7N8  
Telephone: (902) 368-4569  
Facsimile: (902) 368-5283

**Securities Commission of Newfoundland And Labrador**

P.O. Box 8700  
2nd Floor, West Block  
Confederation Building  
75 O'Leary Avenue  
St. John's, NFLD A1B 4J6  
Attention: Director of Securities  
Telephone: (709) 729-4189  
Facsimile: (709) 729-6187

**Government of Yukon**

Office of the Yukon Superintendent of Securities  
Government of Yukon  
Department of Community Services  
307 Black Street, 1st Floor  
PO Box 2703 (C-6)  
Whitehorse, Yukon Y1A 2C6  
Telephone: 867-667-5466  
Facsimile: 867-393-6251

[http://www.community.gov.yk.ca/corp/securities\\_about.html](http://www.community.gov.yk.ca/corp/securities_about.html)

**Government of the Northwest Territories**

Office of the Superintendent of Securities  
Deputy Superintendent, Legal & Enforcement  
PO Box 1320 Yellowknife, NT X1A 2L9  
Tel: (867) 920-8984  
Fax: (867) 873-0243



**Department Of Justice, Nunavut  
Legal Registries Division**

P.O. Box 1000 - Station 570  
1st Floor, Brown Building  
Iqaluit, NT X0A 0H0  
Attention: Superintendent of Security  
Telephone: (867) 975-6190  
Facsimile: (867) 975-6194

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M.O. 2005-21, Sch. 45-102F1; M.O. 2009-05, s. 13; I.N. 2017-05-01; I.N. 2018-09-01.

Decision 2005-PDG-0260, 2005-08-11  
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M.O. 2005-21, 2005 G.O. 2, 3648  
*Erratum 2005 G.O. 2, 5115* (Bulletin de l'Autorité: 2005-12-02, Vol. 2 n° 48)

**Amendments**

Decision 2009-PDG-0120, 2009-09-04  
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M.O. 2015-18, 2015 G.O. 2, 3222

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M.O. 2015-19, 2016 G.O. 2, 47

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I.N. 2018-09-01