

REGULATION TO AMEND REGULATION 45-106 RESPECTING PROSPECTUS EXEMPTIONS

Securities Act

(chapter V-1.1, s. 331.1, par. (11) and (34))

1. Section 1.1 of Regulation 45-106 respecting Prospectus Exemptions (chapter V-1.1, r. 21) is amended by replacing the definitions of the expressions “designated rating” and “designated rating organization” with the following:

““designated rating” has the same meaning as in paragraph (b) of the definition of “designated rating” in Regulation 81-102 respecting Investment Funds (chapter V-1.1, r. 39);

““designated rating organization” has the same meaning as in Regulation 44-101 respecting Short Form Prospectus Distributions (chapter V-1.1, r. 16);”.

2. Section 2.35 of the Regulation is amended by replacing, in paragraph (1), subparagraphs (b) and (c) with the following:

“(b) the note or commercial paper has a credit rating from a designated rating organization listed below, or any of its DRO affiliates, that is at or above one of the following corresponding rating categories or that is at or above a category that replaces one of the following corresponding rating categories:

- (i) R-1(low) if issued by DBRS Limited;
- (ii) F1 if issued by Fitch Ratings, Inc.;
- (iii) P-1 if issued by Moody’s Canada Inc.;
- (iv) A-1(Low) (Canada national scale) if issued by S&P Global Ratings

Canada;

“(c) the note or commercial paper has no credit rating from a designated rating organization listed below, or any of its DRO affiliates, that is below one of the following corresponding rating categories or that is below a category that replaces one of the following corresponding rating categories:

- (i) R-1(low) if issued by DBRS Limited;
- (ii) F2 if issued by Fitch Ratings, Inc.;
- (iii) P-2 if issued by Moody’s Canada Inc.;
- (iv) A-1(Low) (Canada national scale) or A-2 (global scale) if issued by S&P

Global Ratings Canada.”.

3. Section 2.35.2 of the Regulation is amended, in paragraph (a):

(1) by replacing subparagraphs (i) and (ii) with the following:

“(i) it has a credit rating from not less than two designated rating organizations listed below, or any of their respective DRO affiliates, and at least one of the credit ratings is at or above one of the following corresponding rating categories or is at or above a category that replaces one of the following corresponding rating categories:

- (A) R-1(high)(sf) if issued by DBRS Limited;
- (B) F1+sf if issued by Fitch Ratings, Inc.;
- (C) P-1(sf) if issued by Moody’s Canada Inc.;

(D) A-1(High)(sf) (Canada national scale) or A-1+(sf) (global scale) if issued by S&P Global Ratings Canada;

“(ii) it has no credit rating from a designated rating organization listed below, or any of its DRO affiliates, that is below one of the following corresponding rating categories or that is below a category that replaces one of the following corresponding rating categories:

(A) R-1(low)(sf) if issued by DBRS Limited;

(B) F2sf if issued by Fitch Ratings, Inc.;

(C) P-2(sf) if issued by Moody’s Canada Inc.;

(D) A-1(Low)(sf) (Canada national scale) or A-2(sf) (global scale) if issued by S&P Global Ratings Canada;”;

(2) by replacing subparagraph (C) of subparagraph (iv) with the following:

“(C) the liquidity provider has a credit rating from each of the designated rating organizations, or any of their respective DRO affiliates, providing a credit rating on the short-term securitized product referred to in subparagraph 2.35.2(a)(i), for its senior, unsecured short-term debt, none of which is dependent upon a guarantee by a third party, and each credit rating from those designated rating organizations, or any of their respective DRO affiliates, is at or above the following corresponding rating categories or is at or above a category that replaces one of the following corresponding rating categories:

1. R-1(low) if issued by DBRS Limited;

2. F2 if issued by Fitch Ratings, Inc.;

3. P-2 if issued by Moody’s Canada Inc.;

4. A-1(Low) (Canada national scale) or A-2 (global scale) if issued by S&P Global Ratings Canada;”.

4. This Regulation comes into force on *(insert here the date of coming into force of this Regulation)*.