

**AMENDMENTS TO POLICY STATEMENT TO REGULATION 51-102
RESPECTING CONTINUOUS DISCLOSURE OBLIGATIONS**

1. Section 1.3 of *Policy Statement to Regulation 51-102 respecting Continuous Disclosure Obligations* is amended by replacing the word “statements” with the word “reports”.

2. Section 1.4 of the Policy Statement is amended:

(1) by replacing paragraph (5) with the following:

“(5) **Reverse Takeover** – The definition of reverse takeover includes reverse acquisitions as defined or interpreted in Canadian GAAP applicable to publicly accountable enterprises and any other transaction in which an issuer issues enough voting securities as consideration for the acquisition of an entity such that control of the issuer passes to the securityholders of the acquired entity (such as a Qualifying Transaction, as that term is defined in the TSX Venture Exchange policies). In a reverse acquisition, although legally the entity (the legal parent) that issued the securities is regarded as the parent, the entity (the legal subsidiary) whose former securityholders now control the combined entity is treated as the acquirer for accounting purposes. As a result, for accounting purposes, the issuing entity (the legal parent) is deemed to be a continuation of the acquirer and the acquirer is deemed to have acquired control of the assets and business of the issuing entity in consideration for the issue of capital.”;

(2) by adding the following after paragraph (6):

“(7) **Accounting terms** – The Regulation uses accounting terms that are defined or used in Canadian GAAP applicable to publicly accountable enterprises. In certain cases, some of those terms are defined differently in securities legislation. In deciding which meaning applies, you should consider that *Regulation 14-101 respecting Definitions* provides that a term used in the Regulation and defined in the securities statute of a local jurisdiction has the meaning given to it in the statute unless: (a) the definition in that statute is restricted to a specific portion of the statute that does not govern continuous disclosure; or (b) the context otherwise requires.

For example, the term “associate” is defined in local securities statutes and Canadian GAAP applicable to publicly accountable enterprises. Securities regulatory authorities are of the view that the references to the term “associate” in the Regulation and its forms (e.g., item 7.1(g) of *Form 51-102F5 Information Circular*) should be given the meaning of the term under local securities statutes since the context does not indicate that the accounting meaning of the term should be used.

(8) **Acceptable accounting principles other than Canadian GAAP applicable to publicly accountable enterprises** – If an issuer is permitted under *Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards* to file financial statements in accordance with acceptable accounting principles other than Canadian GAAP applicable to publicly accountable enterprises, then the issuer may interpret any reference in the Regulation to a term or provision defined or used in Canadian GAAP applicable to publicly accountable enterprises as a reference to the corresponding term or provision in the other acceptable accounting principles.

(9) **Rate-regulated activities** – If a qualifying entity is relying on the exemption in paragraph 5.4(1)(a) of *Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards*, then the qualifying entity may interpret any reference in the Regulation to a term or provision defined or used in Canadian GAAP applicable to publicly accountable enterprises as a reference to the corresponding term or provision in Part V of the Handbook.”.

3. Section 1.5 of the French text of the Policy Statement is amended by replacing the

words “s’adresser” with the words “vous adresser”.

4. Section 1.7 of the French text of the Policy Statement is replaced with the following:

“1.7. Comité d’audit

Les émetteurs assujettis se rappelleront que leur comité d’audit doit remplir les responsabilités prescrites par d’autres textes de la législation en valeurs mobilières. Ces responsabilités sont énoncées dans le *Règlement 52-110 sur le comité d’audit*.”.

5. Section 1.8 of the Policy Statement is replaced with the following:

“1.8. Acceptable Accounting Principles and Auditing Standards

An issuer filing any of the following items under the Regulation must comply with *Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards*:

- (a) financial statements;
- (b) an operating statement for an oil and gas property as referred to in section 8.10 of the Regulation;
- (c) summarized financial information, including the aggregated amounts of assets, liabilities, revenue and profit or loss of a business as referred to in section 8.6 of the Regulation; or
- (d) financial information derived from a credit support issuer’s financial statements as referred to in section 13.4 of the Regulation.

Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards sets out, among other things, the use of accounting principles other than Canadian GAAP applicable to publicly accountable enterprises or auditing standards other than Canadian GAAS in preparing or auditing financial statements.”.

6. Section 3.2 of the Policy Statement is replaced with the following:

“3.2. Audit of Comparative Annual Financial Statements

Section 4.1 of the Regulation requires a reporting issuer to file annual financial statements that include comparative information for the immediately preceding financial year and that are audited. The auditor’s report must cover both the most recently completed financial year and the comparative period, except if the issuer changed its auditor during the periods presented in the annual financial statements and the new auditor has not audited the comparative period. In this situation, the auditor’s report would normally refer to the predecessor auditor’s report unless the predecessor auditor’s report on the prior period’s annual financial statements is reissued with the financial statements. This is consistent with Canadian Auditing Standard 710 *Comparative Information – Corresponding Figures and Comparative Financial Statements*.”.

7. Section 3.3 of the Policy Statement is amended:

- (1) by inserting the word “annual” after the words “filing of the”;
- (2) by replacing, wherever they occur in the French text, the words “de vérification” with the words “d’audit”.

8. Section 3.4 of the Policy Statement is replaced with the following:

“3.4. Auditor Involvement with an Interim Financial Report

(1) The board of directors of a reporting issuer, in discharging its responsibilities for ensuring the reliability of an interim financial report, should consider engaging an external auditor to carry out a review of the interim financial report.

(2) Subsection 4.3(3) of the Regulation requires a reporting issuer to disclose if an auditor has not performed a review of the interim financial report, to disclose if an auditor was unable to complete a review and why, and to file a written report from the auditor if the auditor has performed a review and expressed a reservation in the auditor's interim review report. No positive statement is required when an auditor has performed a review and provided an unqualified communication. If an auditor was engaged to perform a review on an interim financial report applying review standards set out in the Handbook, and the auditor was unable to complete the review, the issuer's disclosure of the reasons why the auditor was unable to complete the review would normally include a discussion of

- (a) inadequate internal control;
- (b) a limitation on the scope of the auditor's work; or
- (c) the failure of management to provide the auditor with the written representations the auditor believes are necessary.

(3) If a reporting issuer's annual financial statements are audited in accordance with Canadian GAAS, the terms “review” and “interim review report” used in subsection 4.3(3) of the Regulation refer to the auditor's review of, and report on, an interim financial report applying standards for a review of an interim financial report by the auditor as set out in the Handbook. However, if the reporting issuer's financial statements are audited in accordance with auditing standards other than Canadian GAAS, the corresponding review standards should be applied.”.

9. Section 3.5 of the Policy Statement is amended by replacing the words “interim financial statements” with the words “an interim financial report”.

10. Section 3.6 of the Policy Statement is amended by adding, at the end, the following :

“The test of whether “to a reasonable person it is impracticable to present prior-period information on a basis consistent with subsection 4.3(2)” is objective, rather than subjective. Securities regulatory authorities are of the view that a reporting issuer can rely on the exemption only if it has made every reasonable effort to present prior-period information on a basis consistent with subsection 4.3(2) of the Regulation. We are of the view that an issuer should only rely on this exemption in unusual circumstances and generally not related solely to the cost or the time involved in preparing the financial statements.”.

11. Section 3.9 of the Policy Statement is amended:

- (1) in paragraph (2), by deleting the words “for accounting purposes”;
- (2) in paragraph (3), by replacing the words “interim and annual financial statements” with the words “interim financial reports and the annual financial statements”.

12. Section 3.10 of the Policy Statement is amended by replacing, wherever it occurs in the French text, the word “vérificateur” with the word “auditeur”, and making the necessary changes, and by replacing the words “comité de vérification” with the words “comité d'audit”.

13. The title of Part 4 of the Policy Statement is amended by adding the words “**AND PRESENTATION**” after the word “**DISCLOSURE**”.

14. Section 4.1 of the Policy Statement is amended:

- (1) in the title, by replacing the word “**Results**” with the word “**Information**”;
- (2) in paragraph (1), by replacing the words “interim financial statements” with the words “each interim financial report”;
- (3) in paragraph (2), by replacing the words “Regulation 52-107”, wherever they occur, with the words “*Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards*”.

15. Section 4.2 of the Policy Statement is amended by replacing “GAAP” with the words “Canadian GAAP applicable to publicly accountable enterprises”.

16. The Policy Statement is amended by adding the following after section 4.2:

“4.3. Presentation of Financial Information

Canadian GAAP applicable to publicly accountable enterprises provides an issuer two alternatives in presenting its income: (a) in one single statement of comprehensive income, or (b) in a statement of comprehensive income with a separate income statement. If an issuer presents its income using the second alternative, both statements must be filed to satisfy the requirements of this Regulation. (See subsections 4.1(3) and 4.3(2.1) of the Regulation).”.

17. Section 4A.3 of the Policy Statement is amended:

- (1) by deleting the sentence “This concept of materiality is consistent with the one contained in the Handbook.”;
- (2) by replacing the third and fourth sentences of the second paragraph with the following:

“Examples of financial outlooks include expected revenue, profit or loss, earnings per share and R&D spending. A financial outlook relating to profit or loss is commonly referred to as “earnings guidance.”.

18. Section 4A.9 of the Policy Statement is repealed.

19. Section 5.2 of the Policy Statement is amended by replacing the first sentence with the following:

“Section 5.3 of the Regulation requires certain venture issuers to provide in their annual or interim MD&A (unless the information is included in their annual financial statements or interim financial report), a breakdown of material costs whether expensed or recognized as assets.”.

20. Section 5.4 of the Policy Statement is replaced with the following:

“5.4 Additional Disclosure for Equity Investees

Section 5.7 of the Regulation requires issuers with significant equity investees to provide in their annual or interim MD&A (unless the information is included in their annual financial statements or interim financial report), summarized information about the equity investee. Generally we will consider that an equity investee is significant if the equity investee would meet the thresholds for the significance tests in Part 8 using the financial statements of the equity investee and the issuer as at the issuer’s financial year end.”.

21. Section 5.5 of the Policy Statement is amended:

- (1) by deleting, wherever they occur, the words “or MD&A supplement”;
- (2) in the French text of paragraph (2):
 - (a) by replacing the first sentence of the first paragraph with the following:

“En vertu du paragraphe 4 de l'article 5.8 du règlement, l'émetteur assujéti doit indiquer et analyser tout écart important entre les résultats réels de l'exercice ou de la période intermédiaire sur lequel ou laquelle porte son rapport de gestion et l'information financière prospective ou les perspectives financières qu'il a communiquées au public antérieurement pour cette période.”;

- (b) by replacing, in the second paragraph, the words “produits se rapproche des produits prévisionnels” with the words “produits des activités ordinaires se rapproche des produits des activités ordinaires prévisionnels”.

22. Paragraph (1) of section 6.2 of the Policy Statement is amended by replacing the word “income” with the word “profit”.

23. Section 8.1 of the Policy Statement is amended:

- (1) by replacing paragraph (3) with the following:

“(3) **Financial Statement Disclosure of Significant Acquisitions** – Reporting issuers are reminded that *Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards* prescribes the accounting principles and auditing standards that must be used to prepare and audit the financial statements required by Part 8 of the Regulation.”;

- 2° by replacing, in the French text of paragraph (4), the words “l'activité génératrice de produits ou de l'activité génératrice de produits éventuels” with the words “l'activité génératrice de produits des activités ordinaires actuels ou éventuels”.

24. Section 8.2 of the Policy Statement is amended:

- (1) in paragraph (1):
 - (a) by replacing, wherever they occur, the words “income from continuing operations” with the words “specified profit or loss”;
 - (b) by replacing, wherever they occur, the words “time of the acquisition” with the words “acquisition date”;
 - (c) by replacing the words “annual audited” with the words “audited annual”;
 - (d) by replacing the words “business acquisition or report” with the words “business acquisition report”;
- (2) by replacing paragraph (2) with the following:

(2) **Business Using Accounting Principles Other Than Those Used by the Reporting Issuer** – Subsection 8.3(13) of the Regulation provides that, for the purposes of calculating the significance tests, the amounts used for the business or related businesses must, subject to subsection 8.3(13.1) of the Regulation, be based on the issuer's GAAP, and translated into the same presentation currency as that used in the reporting issuer's financial statements. This means that in some cases the amounts must be converted

to the issuer's GAAP and translated into the same presentation currency as that used in the reporting issuer's financial statements.

Subsection 8.3(13.1) of the Regulation exempts venture issuers from the requirement in paragraph 8.3(13)(a) that, for the purposes of calculating the significance tests, the amounts used for the business or related businesses must be based on the issuer's GAAP, but only where the financial statements for the business or related businesses were prepared in accordance with Canadian GAAP applicable to private enterprises and certain other conditions are met.

Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards permits financial statements for a business or related businesses to be prepared in accordance with U.S. GAAP without reconciliation to the issuer's GAAP. This does not impact the application of paragraph 8.3(13)(a) of the Regulation. Thus, if the issuer's GAAP is not U.S. GAAP, paragraph 8.3(13)(a) of the Regulation requires, for the purposes of calculating the significance tests, that the amounts used for the business or related businesses be based on the issuer's GAAP.

Paragraph 8.3(13)(b) of the Regulation applies to all issuers and requires, for the purpose of calculating the significance tests, that the amounts used for the business or related businesses be translated into the same presentation currency as that used in the reporting issuer's financial statements.”;

(3) in paragraph (3)

(a) by adding the word “annual” before the first three occurrences of the words “financial statements”;

(b) by replacing, wherever it occurs in the French text, the word “vérifiés” with the word “audités”;

(4) by adding the following after paragraph (3):

“(3.1) **Application of Significance Tests for Business Combinations Achieved in Stages** – IFRS 3 *Business Combinations*, requires that when a business combination is achieved in stages the acquirer's previously held equity interest in the acquiree is remeasured at its acquisition date fair value with any resulting gain or loss recognized in profit or loss. The remeasurement of the previously held equity interest should not be included in the asset or the investment test and the resulting gain or loss from remeasurement should not be included in the profit or loss test. (See subsection 8.3(4.1) of the Regulation).”;

(5) by replacing paragraph (4) with the following:

“(4) **Application of Investment Test for Significance of an Acquisition** – One of the significance tests set out in subsections 8.3(2) and (4) of the Regulation is whether the reporting issuer's consolidated investments in and advances to the business or related businesses exceed a specified percentage of the consolidated assets of the reporting issuer. In applying this test, the “investments in” the business should be determined using the consideration transferred, measured in accordance with the issuer's GAAP, including any contingent consideration. In addition, any payments made in connection with the acquisition which would not constitute consideration transferred but which would not have been paid unless the acquisition had occurred, should be considered part of investments in and advances to the business for the purpose of applying the significance tests. Examples of such payments include loans, royalty agreements, lease agreements and agreements to provide a pre-determined amount of future services. For purposes of the investment test, “consideration transferred” should be adjusted to exclude the carrying value of assets transferred by the reporting issuer to the business or related businesses that will remain with the business or related businesses after the acquisition.”;

(6) in paragraph (5):

(a) by adding the word “annual” before the words “financial statements” wherever they occur;

(b) in the French text, by replacing the words “états des résultats” with the words “comptes de résultat”.

25. Section 8.3 of the Policy Statement is amended:

(1) in paragraph (3), by replacing the words “date of the acquisition” with the words “acquisition date”;

(2) in paragraph (4), by replacing, wherever they occur, the words “optional income test” with the words “optional profit or loss test” and the words “income from continuing operations” with the words “specified profit or loss”.

26. Section 8.5 of the Policy Statement is amended:

(1) in the title, by replacing the words “**Step-By-Step Acquisitions**” with the words “**Multiple Investments in the Same Business**”;

(2) by replacing the first sentence with the following:

“Subsection 8.3(11) of the Regulation explains how the significance test should be applied when the reporting issuer has made multiple investments in the same business.”;

(3) by adding the word “annual” before the words “financial statements” wherever they occur.

27. Section 8.6 of the Policy Statement is amended:

(1) in paragraph (4):

(a) in the French text of subparagraph (a), by replacing the word “vérifier” with the word “auditer”;

(b) by replacing subparagraph (b) with the following:

“(b) When complete financial records of the business acquired do not exist, carve-out financial statements must be prepared in accordance with subsection 3.11(6) of *Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards*.”;

(2) in the French text of paragraph (5), by replacing the word “vérifié” with the word “audité”.

28. Section 8.7 of the Policy Statement is amended:

(1) in paragraph (1):

(a) by replacing the words “pro forma statements” with the words “pro forma financial statements”;

(b) by replacing the words “results of operations” with the words “financial performance”;

(c) by deleting the words “extraordinary items or”;

(2) in paragraph (2):

(a) in the title, by replacing the words “**Balance Sheet and Income Statements**” with the words “**Statement of Financial Position**”;

(b) by replacing, wherever they occur, the words “balance sheet” with the words “statement of financial position”;

(3) in paragraph (3), by replacing the words “an income statement” with the words “a statement of comprehensive income”;

(4) by replacing paragraphs (4) and (5) with the following:

“(4) **Effective Date of Adjustments** – For the pro forma income statements included in a business acquisition report, the acquisition and the adjustments should be computed as if the acquisition had occurred at the beginning of the reporting issuer’s most recently completed financial year and carried through the most recent interim period presented, if any. However, one exception to the preceding is that adjustments related to the allocation of the purchase price, including the amortization of fair value increments and intangibles, should be based on the acquisition date amounts of assets acquired and liabilities assumed as if the acquisition occurred on the date of the reporting issuer’s most recent statement of financial position filed.

(5) **Acceptable Adjustments** – Pro forma adjustments are generally limited to the following two types of adjustments required by paragraph 8.4(7)(b) of the Regulation:

(a) those directly attributable to the specific acquisition transaction for which there are firm commitments and for which the complete financial effects are objectively determinable, and

(b) adjustments to conform amounts for the business or related businesses to the issuer’s accounting policies.

If financial statements for a business or related businesses are prepared in accordance with accounting principles that differ from the issuer’s GAAP and the financial statements do not include a reconciliation to the issuer’s GAAP, pro forma adjustments as described in item (b) above will often be necessary. For example, financial statements for a business or related businesses may be prepared in accordance with U.S. GAAP, or in the case of a venture issuer, in accordance with Canadian GAAP applicable to private enterprises, in each case without a reconciliation to the issuer’s GAAP. Even if financial statements for a business or related businesses are prepared in accordance with the issuer’s GAAP, pro forma adjustments as described in item (b) may be necessary to conform amounts for the business or related businesses to the issuer’s accounting policies, including, for example, the issuer’s revenue recognition policy where the revenue recognition policy of the business or related businesses differs from the issuer’s policy.

If the presentation currency used in financial statements for a business or related businesses differs from the presentation currency used in the issuer’s financial statements, the pro forma financial statements must present amounts for the business or related businesses in the presentation currency of the issuer’s financial statements. The pro forma financial statements should explain any adjustments to conform presentation currency.”;

(5) in the French text of paragraph (6), by replacing the words “notes afférentes aux états financiers” with the words “notes des états financiers”;

(6) in paragraph (7):

(a) in the title, by replacing the words “**Earlier Interim Financial**

Statements” with the words **“an Earlier Interim Financial Report”**;

(b) by replacing the words “pro forma statements” with the words “pro forma financial statements”;

(7) in paragraph (8), by replacing the words “these statements” with the words “these financial statements”;

(8) by adding the following after subsection (8):

“(9) Pro Forma Financial Statements where Financial Statements of a Business or Related Businesses are Prepared using Accounting Principles that Differ from the Issuer’s GAAP – Section 3.11 of *Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards* permits reporting issuers to include in a business acquisition report financial statements of a business or related businesses prepared in accordance with U.S. GAAP and without a reconciliation to the issuer’s GAAP. That section also permits, subject to specified conditions, a venture issuer to include in a business acquisition report financial statements of a business or related businesses prepared in accordance with Canadian GAAP applicable to private enterprises and without a reconciliation to the issuer’s GAAP. However, section 3.14 of *Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards* requires that pro forma financial statements be presented using accounting principles that are permitted by the issuer’s GAAP and would apply to the information presented in the pro forma financial statements if that information were included in the issuer’s financial statements for the same time period as that of the pro forma financial statements. As well, subsection 8.4(7) of the Regulation requires pro forma financial statements to include a description of the underlying assumptions on which the pro forma financial statements are prepared, cross-referenced to each related pro forma adjustment. Therefore, the pro forma financial statements must describe the adjustments presented in the pro forma income statement relating to the business or related businesses to adjust amounts to the issuer’s GAAP and accounting policies.

The pro forma statement of financial position should present the following information:

- (i) the statement of financial position of the reporting issuer;
- (ii) the statement of financial position of the business or related businesses;
- (iii) pro forma adjustments attributable to each significant acquisition that reflect the reporting issuer’s accounting for the acquisition and include new values for the business’ assets and liabilities; and
- (iv) a pro forma statement of financial position combining items (i) through (iii).

The pro forma income statement should present the following information:

- (i) the income statement of the reporting issuer;
- (ii) the income statement of the business or related businesses;
- (iii) pro forma adjustments attributable to each significant acquisition and other adjustments relating to the business or related businesses to conform amounts to the issuer’s GAAP and accounting policies; and
- (iv) a pro forma income statement combining items (i) through (iii).”.

29. Section 8.7.1 of the French text of the Policy Statement is amended by replacing the

word “vérifié” with the word “audité”.

30. Section 8.8 of the Policy Statement is amended by replacing, in the introductory paragraph, the words “date of the acquisition” with the words “acquisition date”.

31. Section 8.9 of the Policy Statement is amended:

(1) by replacing, wherever they occur in the French text, the words “vérifier” and “la vérification” with, respectively, the words “auditer” and “l’audit”;

(2) in paragraph (2):

(a) by adding the word “annual” before the words “financial statements”;

(b) by replacing the words “income statements” with the words “statements of comprehensive income”;

(c) by replacing the words “cash flow” with the words “cash flows”;

(d) by replacing the words “statement of net operating income for a business” with the words “statement of operations”;

(3) by replacing, in the French text of paragraph (3), the words “entité privée” with the words “entité à capital fermé”.

32. Section 8.10 of the Policy Statement is replaced with the following:

“8.10. Audits and Auditor Review of Financial Statements of an Acquired Business

(1) **Unaudited Comparatives in Annual Financial Statements of an Acquired Business** –Subsection 8.4(1) requires a reporting issuer to include comparative financial information of the business in the business acquisition report. This comparative financial information may be unaudited.

(2) **Auditor Review of an Interim Financial Report of an Acquired Business** – An issuer does not have to engage an auditor to review the interim financial report of an acquired business included in a business acquisition report. However, if the issuer later incorporates the business acquisition report into a prospectus, the interim financial report will have to be reviewed in accordance with the requirements relating to financial statements included in a prospectus.”.

33. Section 11.2 of the French text of the Policy Statement is amended by replacing the words “convention comptable” with the words “méthode comptable”.

34. The French text of subparagraph (b) of paragraph (8) of section 12.3 of the Policy Statement is amended by replacing the words “apparentés” with the words “parties liées”.

35. Section 13.1 of the Policy Statement is amended by replacing the contact addresses of the securities regulators of Nunavut, the Northwest Territories and Yukon with the following:

“Department of Justice, Northwest Territories
Securities Office
P.O. Box 1320
1st Floor, 5009-49th Street
Yellowknife, NWT X1A 2L9
Attention: Superintendent of Securities”;

“Department of Justice, Nunavut
 Legal Registries Division
 P.O. Box 1000 – Station 570
 1st Floor, Brown Building
 Iqaluit, NT X0A 0H0
 Attention: Superintendent of Securities”;

“Superintendent of Securities, Government of Yukon
 Corporate Affairs J-9
 P.O. Box 2703
 Whitehorse, Yukon
 Y1A 5H3
 Attention: Superintendent of Securities”.

36. The Policy Statement is amended by adding the following after Part 13:

“PART 14 TRANSITION

14.1. Transition – Application of Amendments

The amendments to the Regulation and this Policy Statement which came into effect on January 1, 2011 only apply to documents required to be prepared, filed, delivered or sent under the Regulation for periods relating to financial years beginning on or after January 1, 2011.”.

37. Appendix A of the Policy Statement is amended by replacing, in the footnote, the words “Balance sheet” with the words “Statement of financial position”.

38. These amendments only apply to documents required to be prepared, filed, delivered or sent under *Regulation 51-102 respecting Continuous Disclosure Obligations* for periods relating to financial years beginning on or after January 1, 2011.

39. Despite section 37, an issuer may apply these amendments to all documents required to be prepared, filed, delivered or sent under *Regulation 51-102 respecting Continuous Disclosure Obligations* for periods relating to a financial year that begins before January 1, 2011 if the immediately preceding financial year ends no earlier than December 21, 2010 and if the issuer is relying on the exemption in section 5.3 of *Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards*.