

Gouvernement du Québec

O.C. 748-2005, 17 August 2005

Securities Act
(R.S.Q., c. V-1.1 ; 2004, c. 37)

Securities
— Amendments

Regulation to amend the Securities Regulation

WHEREAS, under subparagraphs 1.1 and 9 of the first paragraph of section 331 of the Securities Act (R.S.Q., c. V-1.1), amended by chapter 37 of the Statutes of 2004, the Autorité des marchés financiers may, by regulation, determine the conditions to be met by a company for the purposes of the definition of “closed company” set out in section 5 of the Act and prescribe the fees payable for any formality provided for in the Act or the regulations and for services rendered by the Authority, and the terms and conditions of payment;

WHEREAS, under the second paragraph of section 331 of the Act, a regulation made under that section shall be submitted to the Government for approval, with or without amendment;

WHEREAS the Government made the Securities Regulation by Order in Council 660-83 dated 30 March 1983;

WHEREAS it is expedient to amend the Regulation;

WHEREAS the Autorité des marchés financiers made the Regulation to amend the Securities Regulation on 12 April 2005;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), the draft Regulation was published in the *Gazette officielle du Québec* of 25 May 2005 with a notice that it could be submitted to the Government for approval on the expiry of 45 days following that publication;

WHEREAS it is expedient to approve the Regulation with amendments;

IT IS ORDERED, therefore, on the recommendation of the Minister of Finance:

THAT the Regulation to amend the Securities Regulation, attached to this Order in Council, be approved with amendments.

ANDRÉ DICAIRE,
Clerk of the Conseil exécutif

Regulation to amend the Securities Regulation *

Securities Act
(R.S.Q., c. V-1.1, s. 331, 1st par., subpars. 1.1 and 9;
2004, c. 37)

1. The Securities Regulation is amended by inserting the following after section 14:

“**14.01.** In order to be considered as a “closed company” within the meaning of section 5 of the Act, a company must satisfy the conditions to be met by an issuer to be considered as a “private issuer” within the meaning of Regulation 45-106 respecting Prospectus and Registration Exemptions approved by Minister’s Order 2005-20 dated 12 August 2005.”

2. Section 103 is revoked.

3. Section 267 is amended

(1) in the first paragraph

(a) by replacing subparagraph 4 by the following:

“(4) at the time of filing a report of exempt distribution, in the case of a distribution exempt from a prospectus by regulation, 0.025% of the gross value of the securities distributed in Québec, subject to a minimum of \$250; in the case of a money market fund, the calculation of the fees is made on the basis of the net distribution, that is, the purchases less the redemptions;”;

(b) by deleting subparagraphs 5 to 7;

(c) by striking out “or an offering memorandum” in subparagraph 8;

(2) by deleting the second paragraph;

(3) by striking out “, the offering memorandum” and “or the offering memorandum” in the third paragraph.

4. Section 269 is revoked.

5. Section 270 is amended by striking out “, 6”.

6. Section 271.1 is amended by striking out “, 5”.

7. Section 271.2 is amended by replacing “annual report” in paragraphs 1 to 4 by “annual financial statements”.

8. Section 271.6 is amended

(1) by replacing “under section 106.1 or 183” in paragraph 1 by “by regulation”;

(2) by inserting the following after paragraph 1:

“(1.1) at the time of an application for an exemption from a requirement prescribed by the Act or a regulation in respect of a distribution, \$500, and within 10 days of the exempt distribution, 0.025% of the gross value of the securities distributed in Québec, subject to an additional minimum of \$250; in the case of a money market fund, the calculation of the fees is made on the basis of the net distribution, that is, the purchases less the redemptions;

(1.2) at the time of an application to designate an accredited investor, \$500;”;

(3) by replacing “under section 106.1 or 183” in paragraph 5 by “by regulation”.

9. This Regulation comes into force on 14 September 2005.

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* The Securities Regulation, made by Order in Council 660-83 dated 30 March 1983 (1983, *G.O.* 2, 1269), was last amended by the regulation approved by Minister’s Order 2005-17 dated 2 August 2005 (2005, *G.O.* 2, 3523). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Québec Official Publisher, 2005, updated to 1 March 2005.