

WHEREAS there is cause to amend those regulations;

WHEREAS the draft Regulation to amend the Securities Regulation was published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 11 of March 21, 2008;

WHEREAS the Regulation to amend the Securities Regulation was made by the Authority by decision no. 2008-PDG-0125 dated May 2, 2008;

WHEREAS there is cause to approve those regulations without amendment;

CONSEQUENTLY, the Minister of Finance approves without amendment the Regulation to amend the Securities Regulation appended hereto.

May 15, 2008

MONIQUE JÉRÔME-FORGET,  
*Minister of Finance*

## M.O., 2008

### Order number V-1.1-2008-08 of the Minister of Finance, 15 May 2008

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

CONCERNING Regulation to amend the Securities Regulation

WHEREAS subparagraphs 1, 3, 8, 9, 11, 14, 19, 19.1 and 20 of section 331.1 of the Securities Act (R.S.Q., c. V-1.1), amended by section 15 of chapter 15 of the statutes of 2007, stipulate that the Autorité des marchés financiers may make regulations concerning the matters referred to in those paragraphs;

WHEREAS the third and fourth paragraphs of section 331.2 of the said Act stipulate that a draft regulation shall be published in the Bulletin of the Authority, accompanied with the notice required under section 10 of the Regulations Act (R.S.Q., c. R-18.1) and may not be submitted for approval or be made before 30 days have elapsed since its publication;

WHEREAS the first and fifth paragraphs of the said section stipulate that every regulation made under section 331.1 must be approved, with or without amendment, by the Minister of Finance and comes into force on the date of its publication in the *Gazette officielle du Québec* or any later date specified in the regulation;

WHEREAS the government, by order-in-council no. 660-83 of March 30, 1983, enacted the Securities Regulation (1983, *G.O.* 2, 1269);

## Regulation to amend the Securities Regulation \*

Securities Act  
(R.S.Q. c. V-1.1, s. 331.1, pars. (1), (3), (8), (9), (11), (14), (19), (19.1), (20); 2007, c. 15)

**1.** Sections 115.01 and 115.1 to 119 of the Securities Regulation are repealed.

**2.** Section 119.01 of the Regulation is amended by replacing the first paragraph with the following:

“**119.01.** An issuer that has distributed securities under a prospectus exemption provided for under sections 47 or 48 of the Act as they read prior to their repeal is required to file with the Authority and send to every security holder audited annual financial statements no later than 120 days following the end of its financial year, and its interim financial statements for the period beginning on the first day of the financial year and ending 6 months before the end of that year no later than 60 days following the end of the interim period.”

\* The Securities Regulation, enacted pursuant to Order-in-Council No. 660-83 dated March 30, 1983 (1983, *G.O.* 2, 1269), was last amended by the regulations to amend the Regulation approved by Order-in-Council No. 1183-2005 dated December 7, 2005 (2005, *G.O.* 2, 6939) and Ministerial Order No. 2008-06 dated March 4, 2008 (2008, *G.O.* 2, 1185). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Éditeur officiel du Québec 2008, updated to March 2, 2008.

**3.** Section 119.4 of the Regulation is repealed.

**4.** Section 119.5 of the Regulation is replaced by the following:

“**119.5.** Where substantial deficiencies are found in a continuous disclosure document of a reporting issuer, the Authority may require that the information be corrected and that all continuous disclosure documents containing such information be restated, filed again and sent to security holders.”

**5.** Sections 120.1 to 123.1 of the Regulation are repealed.

**6.** Section 138 of the Regulation is replaced by the following:

“**138.** In the case of an investment contract, the financial statements of the business are presented in the form of a statement of net revenue.

The statement of net revenue presents the net revenue of the business and the distribution of income between the holders of each class of units, the promoter and the officers of the business. The statement of net revenue also indicates the balance of the amounts to be reimbursed to all holders and for each unit issued.

The reporting issuer must file with the Authority and send its security holders:

(1) the audited annual statement of net revenue of the business no later than 120 days following the end of the financial year of the business.

(2) the interim statement of net revenue of the business for the period beginning on the first day of the financial year and ending six (6) months before the end of that year, no later than 60 days following the end of the interim period of the business.”

**7.** Sections 141 to 157, 159, 161 and 169.1 of the Regulation are repealed.

**8.** Section 192.0.1 of the Regulation is amended by replacing the words “shares in unincorporated mutual funds or units in mutual funds” in paragraph (1) with the words “securities of mutual funds”.

**9.** Section 237.3 of the Regulation is amended by replacing the words “an unincorporated or incorporated mutual fund” in paragraph (2) with the words “a mutual fund”.

**10.** Section 296 of the Regulation is replaced by the following:

“**296.** Inasmuch as its securities are not traded on a published market, a limited partnership or an unincorporated issuer, other than an investment fund or an income trust, that was a reporting issuer on June 1, 2005 is exempted from the obligations to file with the Authority and to send its security holders:

(1) the interim financial statements for a period beginning on the first day of its financial year and ending 3 and 9 months before the end of that year,

(2) the annual management’s discussion and analysis and the interim management’s discussion and analysis prescribed by regulation.

In the present section, the term “published market” means a market where securities whose quotations are published regularly in the press are traded.”

**11.** This Regulation comes into force on June 1, 2008.

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