

**B.5.7 Changes to Companion Policy 45-501CP – to OSC Rule 45-501 Ontario Prospectus and Registration Exemptions**

**CHANGES TO  
COMPANION POLICY 45-501CP – TO ONTARIO SECURITIES COMMISSION RULE 45-501  
ONTARIO PROSPECTUS AND REGISTRATION EXEMPTIONS**

1. *Companion Policy 45-501CP – to Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions is changed by this Instrument.*

2. **Subsection 5.3(1) is replaced by the following:**

5.3 Right of action for damages and right of rescission – (1) Part 5 of the Rule provides for the application of the rights referred to in section 130.1 of the Act if an offering memorandum is delivered to a prospective purchaser in connection with a distribution made in reliance on a prospectus exemption listed in section 5.1 of the Rule.

The rights apply when the offering memorandum is delivered mandatorily in connection with a distribution made in reliance on a prospectus exemption listed in paragraphs (d.1), (f.1), (f.2), (f.3) or (g) of section 5.1 of the Rule, or voluntarily in connection with a distribution made in reliance on a prospectus exemption listed in paragraphs 5.1(a), (b), (b.1), (d), (e) or (f) of the Rule.

3. **Subsection 5.4(1) is replaced by the following:**

5.4 Content of offering memorandum – (1) Other than in the case of an offering memorandum delivered in connection with a distribution made in reliance on a prospectus exemption listed in paragraphs 5.1(d.1), (f.1), (f.2), (f.3) or (g) of the Rule, and subject to subsection (2), Ontario securities legislation does not prescribe the content of an offering memorandum. The decision relating to the appropriate disclosure in an offering memorandum rests with the issuer, the selling security holder and their advisors.

4. **Subsection 5.5(1) is changed as follows:**

5.5 Review of offering memorandum – (1) Staff may review an offering memorandum filed in connection with a distribution made in reliance on

- the exemption in section 2.9 of NI 45-106 [*Offering memorandum*],
- the exemption in section 5 of Multilateral Instrument 45-108 *Crowdfunding*,
- the exemption in section 5 of National Instrument 45-110 *Start-up Crowdfunding Registration and Prospectus Exemptions*, or
- the exemption in Part 5A of NI 45-106 [*Listed Issuer Financing Exemption*].

They may also review an offering memorandum if it is delivered in connection with a distribution made in reliance on another exemption referred to in Part 5 of the Rule. When Staff reviews an offering memorandum, they review its form and content for the purpose of determining whether the issuer has complied with the requirements, conditions and restrictions of the exemption relied on for the distribution.

5. These changes become effective on November 21, 2022.