

**1.1.2 Notice of Correction – CSA Staff Notice 45-308 (Revised) Guidance for Preparing and Filing Reports of Exempt Distribution under National Instrument 45-106 Prospectus Exemptions**

**CSA Staff Notice 45-308 (Revised) Guidance for Preparing and Filing Reports of Exempt Distribution under National Instrument 45-106 Prospectus Exemptions was published at (2018), 41 OSCB 5811. The second paragraph in Question 7 on page 5822 was inadvertently omitted and the third paragraph duplicated. The text should read as follows:**

**7. How does the filer determine an issuer’s North American Industry Classification Standard (NAICS) code?**

NAICS was developed to classify the domestic activities of businesses within North America, and also covers a wide range of industries that exist outside of North America.

If the issuer has already identified a NAICS code for its business, and the filer is the issuer, then it should use that previously identified code. For example, Canadian businesses that file tax returns with the Canada Revenue Agency should use the same NAICS code that they report on those forms.

If the issuer has not already identified a NAICS code, or if the filer is an underwriter and has not been able to obtain the NAICS code previously identified by the issuer, the filer should use [Statistics Canada’s NAICS search tool](#)<sup>9</sup> to find a NAICS code that is appropriate for the issuer. An alternative is the [US Census Bureau’s NAICS search tool](#).<sup>10</sup>

The online search tools listed above allow the filer to enter keywords that describe the issuer’s business, and generate a list of primary business activities containing that keyword and the corresponding NAICS codes. If more than one NAICS code may apply to an issuer, the filer should use its reasonable judgment to choose the one that most closely describes the issuer’s primary business activity. Alternatively, the filer may browse a list of NAICS market sectors to find the more detailed industry level descriptions and the appropriate 6-digit code that, in the filer’s reasonable judgment, most closely matches the issuer’s primary business activity.

Below are some examples of NAICS codes to consider:

Description of Issuer	Keywords searched	Possible NAICS Codes to consider
ABC-ABS Inc. is structured as a special purpose financial vehicle organized for the securitization of pools of receivables and the issuance of marketable fixed-income securities (asset-backed securities)	“special purpose vehicle” or “securitization”	526981 – Securitization vehicles
ABC Minerals operates as a mining and metals company worldwide. It produces copper, nickel, gold, zinc, platinum-group elements and pyrite.	“zinc” or “copper” or “nickel” or “gold”	212233 – Copper-zinc ore mining 212232 – Nickel-copper ore mining 212220 – Gold and silver ore mining
ABC LP is a private equity fund that invests in a portfolio of private companies. The fund will typically acquire a controlling or substantial minority interest in a portfolio of companies.	“investment firm” or “portfolio companies”	526989 – All other miscellaneous funds and financial vehicles 523920 – Portfolio management

<sup>9</sup> <http://www23.statcan.gc.ca/imdb/p3VD.pl?Function=getVD&TVD=380372>

<sup>10</sup> <http://www.census.gov/eos/www/naics/index.html>