

5.1.7 Amendments to OSC Rule 45-501 Ontario Prospectus and Registration Exemptions Relating to the Accredited Investor and Minimum Amount Investment Prospectus Exemptions

**AMENDMENTS TO
OSC RULE 45-501 ONTARIO PROSPECTUS AND REGISTRATION EXEMPTIONS**

1. OSC Rule 45-501 Ontario Prospectus and Registration Exemptions is amended by this Instrument.

2. Section 1.1 is amended

(a) by deleting the definition of “government incentive security”, and

(b) by deleting “and Registration” from the definition of “NI 45-106”.

3. The instrument is amended by adding the following section:

2.0 Government incentive security

The following are prescribed as government incentive securities under subsection 73.5(1) of the Act:

1. a security, or unit or interest in a partnership that invests in a security, that is issued by a company and for which the company has agreed to renounce in favour of the holder of the security, unit or interest, amounts that will constitute Canadian exploration expense, as defined in subsection 66.1(6) of the ITA, Canadian development expense, as defined in subsection 66.2(5) of the ITA, or Canadian oil and gas property expense, as defined in subsection 66.4(5) of the ITA, or

2. a unit or interest in a partnership or joint venture that is issued in order to fund Canadian exploration expense, as defined in subsection 66.1(6) of the ITA, Canadian development expense, as defined in subsection 66.2(5) of the ITA, or Canadian oil and gas property expense, as defined in subsection 66.4(5) of the ITA,;

4. Subsection 2.1(1) is amended by replacing the words before paragraph (a) with the following:

(1) For the purpose of section 73.5 of the Act, the prospectus requirement does not apply to a distribution of a government incentive security by an issuer or a promoter of an issuer of a security of the issuer, if all of the following apply:.

5. Section 2.2 is amended by replacing “section 2.1” with “section 73.5 of the Act” wherever it occurs.

6. Section 2.4 is repealed.

7. Section 2.5 is repealed.

8. Section 2.6 is repealed.

9. Section 3.0 is replaced with the following:

3.0 Application – Part 3, except for sections 3.3 and 3.4, does not apply.

10. Part 4 is repealed.

11. Section 5.1 is amended

(a) in paragraph (a), by replacing “section 2.3 of NI-45-106” with “section 73.3 of the Act or a predecessor exemption to section 73.3 of the Act”,

(b) in paragraph (b), by replacing “section 2.4 of NI-45-106” with “section 73.4 of the Act or a predecessor exemption to section 73.4 of the Act”, and

(c) in paragraph (g), by replacing “section 2.1” with “section 73.5 of the Act or a predecessor exemption to section 73.5 of the Act”.

12. **Section 5.2(2) is amended by replacing** “section 2.3 of NI 45-106” **with** “section 73.3 of the Act or a predecessor exemption to section 73.3 of the Act”.
13. **Section 6.1 is amended by replacing** “section 2.1” **with** “section 73.5 of the Act or a predecessor exemption to section 73.5 of the Act”.
14. **Section 7.1 is amended by replacing** “Part 7” **with** “Part 6”.
15. **Section 8.1 is repealed.**
16. This Instrument comes into force on the later of the following:
 - (a) May 5, 2015 and
 - (b) the day on which subsection 12(2) of Schedule 26 of the *Budget Measures Act, 2009* is proclaimed in force.