

**5.1.3 Amendments to OSC Rule 45-501 Ontario Prospectus and Registration Exemptions**

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

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

**2. Section 1.1 is amended by**

**(a) adding the following definition:**

“eligible foreign security” means a security offered primarily in a foreign jurisdiction as part of a distribution of securities in either of the following circumstances:

- (a) the security is issued by an issuer
  - (i) that is incorporated, formed or created under the laws of a foreign jurisdiction,
  - (ii) that is not a reporting issuer in a jurisdiction of Canada,
  - (iii) that has its head office outside of Canada, and
  - (iv) that has a majority of the executive officers and a majority of the directors ordinarily resident outside of Canada;
- (b) the security is issued or guaranteed by the government of a foreign jurisdiction; ,

**(b) adding the following paragraph to the definition of “executive officer”:**

(a.1) a chief executive officer or chief financial officer, ,

**and**

**(c) adding the following definition:**

“permitted client” has the same meaning as in section 1.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*; .

**3. The Instrument is amended by adding the following section:**

**5.3.1. – (1) Alternative compliance with description of rights in an offering memorandum** – If a seller delivers an offering memorandum to a prospective purchaser that is a permitted client in connection with a distribution of an eligible foreign security, the requirement in section 5.3 to disclose the rights referred to in section 130.1 of the Act will be considered to have been satisfied if a specified disclosure statement is made in one of the following:

- (a) the offering memorandum;
- (b) a document delivered to the permitted client which accompanies, but is not part of, the offering memorandum;
- (c) a written notice that:
  - (i) has been delivered to the permitted client by a registered dealer or an international dealer that proposes to make future distributions of securities to the permitted client; and
  - (ii) which contains a statement to the effect that the disclosure will apply to all future distributions.

(2) For the purpose of subsection (1), a specified disclosure statement must be in the following form or a substantively similar form:

- (a) if the statement is made in a document referred to in paragraph 1(a),

*Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor;*

- (b) if the statement is made in a document referred to in paragraph (1)(b) or (1)(c),

*If, in connection with a distribution of an eligible foreign security as defined in Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions, we deliver to you an offering document that constitutes an offering memorandum under applicable securities laws in Canada, you may have, depending on the province or territory of Canada in which the trade was made to you, remedies for rescission or damages if the offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by you within the time limit prescribed by the securities legislation of your province or territory. You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal advisor. .*

**4. The Instrument is amended by adding the following section:**

**5.5 – Exemption from Listing Representation Requirements** – Subsection 38(3) of the Act does not apply to any representation made in an offering memorandum in connection with a distribution of an eligible foreign security if all of the following apply:

- (a) each purchaser of the security is a permitted client;
- (b) the representation does not contain a misrepresentation;
- (c) the representation is made in compliance with the by-laws and rules of the exchange or quotation and trade reporting system referred to in the representation.

**5.6 Application** – Sections 5.3.1 and 5.6 do not apply if a prospectus has been filed with a Canadian securities regulatory authority in connection with the distribution. .

**5. Section 7.1 is replaced by the following:**

**7.1 Exemption** – The Director may grant an exemption to Part 6, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption. .

**6. Item 9 of Form 45-501F1 is replaced with the following:**

**Item 9:** If a distribution is made to one or more individuals in Ontario, include the attached “Authorization of Indirect Collection of Personal Information for Distribution in Ontario”. .

7. This Instrument comes into force on September 8, 2015.