

1.1.2 CSA Staff Notice 45-304 (Revised) – Notice of Local Exemptions Related to NI 45-106 Prospectus Exemptions and NI 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations



CSA Staff Notice 45-304 (Revised)

**Notice of Local Exemptions Related to
National Instrument 45-106 *Prospectus Exemptions* and
National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations***

May 21, 2015

The Canadian Securities Administrators (CSA or we) have implemented National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) and National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Exemptions* (NI 31-103) in order to consolidate and harmonize most of the prospectus and registration exemptions available under Canadian securities laws. However, there remain a limited number of local exemptions in each jurisdiction.

The CSA are replacing a prior notice issued in September 2005 and amended in November 2009 with this notice listing the prospectus and registration exemptions in each jurisdiction that are not included in NI 45-106 or NI 31-103.

These exemptions are listed in the Appendix by jurisdiction and apply only in that jurisdiction. Although we have attempted to consolidate a list of all remaining exemptions by local jurisdiction, we encourage persons relying on a local exemption to consult the securities legislation of the jurisdiction.

The list of exemptions in the Appendix is up-to-date as of May 21, 2015.

Questions

Questions about any of the local exemptions listed in the Appendix may be referred to the contact(s) for that local jurisdiction listed below:

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Appendix

Local Exemptions – Alberta

Alberta Securities Commission Rules

ASC Rule 45-502 *Trade with RESP*

ASC Rule 45-509 *Offering Memorandum for Real Estate Securities*

ASC Rule 45-511 *Local Prospectus Exemptions and Related Requirements*

ASC Rule 45-513 *Prospectus Exemptions for Distributions to Existing Security Holders*

ASC Rule 72-501 *Distributions to Purchasers Outside Alberta*

ASC Rule 91-504 *Strip Bonds*

Blanket Orders

ASC Blanket Order 2005/10/849 *Registration and Prospectus Exemption for Certain Capital Accumulation Plans*

ASC Blanket Order 31-505 *Registration Exemption for Trades in Connection with Certain Prospectus-Exempt Distributions*

ASC Blanket Order 31-530 *Trades and Advice for US-Resident Clients: Dealer and Adviser Registration Exemptions*

ASC Blanket Order 45-515 *Exemption from Certain Financial Statement Requirements of Form 45-106F2 Offering Memorandum for Non-Qualifying Issuers*

ASC Blanket Order 91-506 *Over-the-Counter Trades in Derivatives*

Local Exemptions – British Columbia

Commission Rules

BC Instrument 45-501 *Mortgages*

Blanket Orders

BC Instrument 32-503 *Registration Exemption for Approved Persons of the Mutual Funds Dealers Association of Canada*

BC Instrument 32-513 *Registration Exemption for Trades in Connection with Certain Prospectus Exempt Distributions*

BC Instrument 32-517 *Exemption from Dealer Registration Requirement for Trades in Securities of Mortgage Investment Entities*

BC Instrument 32-522 *Exemption from the registration requirement for trades in short-term debt instruments*

BC Instrument 32-525 *Exemption from the dealer registration requirement and the adviser registration requirement in respect of trades and advice for U.S. resident clients*

BC Instrument 45-504 *Trades to trust companies, insurers, and portfolio managers outside British Columbia*

BC Instrument 45-512 *Real Estate Securities*

BC Instrument 45-514 *The Employee Investment Act*

BC Instrument 45-524 *Registration and Prospectus Exemption for Certain Capital Accumulation Plans*

BC Instrument 45-528 *Trades under a realization on collateral given for a debt*

BC Instrument 45-529 *Bonus or Finder's Fee*

BC Instrument 45-530 *Exemptions for securities issued by a cooperative association*

BC Instrument 45-531 *Exemptions for shares or deposits of a credit union*

BC Instrument 45-534 *Exemption from prospectus requirement for certain trades to existing security holders*

BC Instrument 45-535 *Start-up Crowdfunding Registration and Prospectus Exemptions*

BC Instrument 72-502 *Trades in Securities of U.S. Registered Issuers*

BC Instrument 72-503 *Distribution of Securities outside British Columbia*

BC Instrument 72-504 *Distribution of Eurobonds*

BC Instrument 91-501 *Over-The-Counter Derivatives*

BC Instrument 91-502 *Short Term Foreign Exchange Transactions*

BC Instrument 91-503 *Contracts Providing for Physical Delivery of Commodities*

BC Instrument 91-504 *Government Strip Bonds*

BC Instrument 91-505 *Prospectus exemption for put and call options*

Local Exemptions – Manitoba

The Securities Act (Manitoba)

Section 19(1)(c) and 58 (1)(a) – Exempt Purchasers

Sections 19(2)(g) and 58(3)(a) – Securities to which *The Cooperatives Act* apply

Sections 19(2)(h) and 58(3)(a)– Securities to which *The Credit Unions and Caisses Populaires Act* apply

Securities Regulation (Manitoba)

Sections 91(a) and (b) of *The Securities Regulation* M.R. 491/88R

Blanket Rulings (Manitoba)

Local Policy 3.17 – Strip Bonds

Blanket Order 45-501 *Exemption from prospectus requirement for certain trades to existing security holders*

Blanket Order 45-502 *Start-up Crowdfunding Prospectus and Registration Exemption*

Local Exemptions – New Brunswick

Rules

Local Rule 45-501 *Prospectus and Registration Exemptions*

Local Rule 45-802 *Implementing National Instrument 45-106 Prospectus and Registration Exemptions*

Local Rule 72-501 *Distribution of Securities to Persons Outside New Brunswick*

Local Rule 81-502 *Registration and Prospectus Exemption for Certain Capital Accumulation Plans*

Local Rule 91-501 *Derivatives*

Blanket Orders

Blanket Order 31-520 *Exemption from the Requirement in NI 31-103 to Register for International Dealers*

Blanket Order 31-521 *Exemption from the Requirement in NI 31-103 to Register for International Advisers*

Blanket Order 32-503 *Exemption From The Dealer Registration Requirement And The Adviser Registration Requirement In Respect Of Trades And Advice For U.S. Resident Clients*

Blanket Order 41-502 *in the matter of Capital Pool Companies*

Blanket Order 44-501 *In the matter of the Lapse Date for Shelf Prospectuses Under National Instrument 44-102 Shelf Distributions*

Blanket Order 44-502 *In the matter of an Exemption for Solicitations of Expressions of Interest*

Blanket Order 45-504 *Exemptions From Certain Financial Statement Requirements Of Form 45-106F2 Offering Memorandum For Non-Qualifying Issuers*

Blanket Order 45-505 *Prospectus Exemption for Distribution to Existing Security Holders*

Blanket Order 45-506 *Start-Up Crowdfunding Registration and Prospectus Exemptions*

Blanket Order 45-507 *Exemptions from certain financial statement requirements of the offering memorandum*

Local Exemptions – Newfoundland and Labrador

Securities Act (Newfoundland and Labrador)

Section 35 (Exemption of advisers)

Section 36 (Exemption of trades)

Local Exemptions – Northwest Territories

Securities Act (Northwest Territories)

Section 2 (Various exemptions from registration requirement)

Blanket Orders

Blanket Order No. 1 – Section 2 (Secondary Market Trading)

Blanket Order No. 1 – Subsection 3(a) (*Bona Fide* Debts of Non-control Persons)

Blanket Order No. 1 – Section 3(b) (Securities of a Cooperative)

Blanket Order No. 1 – Section 3(c) (Distributions commenced in reliance on Blanket Order exemptions in effect prior to September 14, 2005)

Blanket Order No. 2 – Subsection 2(a) (*Bona Fide* Debts of Non-control Persons)

Blanket Order No. 2 – Section 2(b) (Securities of a Cooperative)

Blanket Order No. 2 – Section 2(c) (Trades commenced in reliance on Blanket Order exemptions in effect prior to September 14, 2005)

Local Exemptions – Nova Scotia

Securities Act (Nova Scotia)

Sections 41(1) (ama) and (amb) (Registration exemption for securities of a cooperative)

Section 41(2)(i) (Registration exemption for shares of a credit union within the meaning of the *Credit Union Act*)

Section 77(1)(ah) (Prospectus exemption for securities of a cooperative)

Section 77(7C) (Prospectus exemption for first and subsequent trades of securities of a cooperative by a member of a cooperative)

Section 78(1)(a) as it relates to section 41(2)(i) (Prospectus exemption for shares of a credit union within the meaning of the *Credit Union Act*)

Rules

NSSC Rule 35-101 *Conditional Exemption from Registration for United States Broker-Dealers and Agents*

Regulations

Section 3 of the *Community Economic – Development Corporations Regulations* – N.S. Reg. 168/2011 (Prospectus exemption for shares of a community economic-development corporation)

Blanket Orders

Blanket Order No. 3 Zero Coupon Strip Bonds

Blanket Order No. 15 Trading in Recognized Options Cleared Through Recognized Clearing Organizations

Blanket Order No. 16 Trading in Commodity Futures Contracts and Commodity Futures Options

Blanket Order No. 24 Certain Certificates for Government Securities

Blanket Order No. 31-527 as varied by Blanket Order No. 31-531 Registration Exemption for Trades in Short-Term Debt Instruments

Blanket Order No. 32A Registration and Prospectus Exemptions for Real Return Bond Strip Bonds

Blanket Order 32-502 Exemption from the Dealer Registration and the Advisor Registration Requirement in respect of Trades and Advice for US Resident Clients

Blanket Order No. 47 Distribution of Mutual Funds Established for Employees of a Company and Its Affiliates

Blanket Order No. 45-507 A Registration and Prospectus Exemption for Certain Capital Accumulation Plans

Blanket Order No. 45-509 Trades in Warrants to Acquire Certain Debt Securities

Blanket Order No. 45-524 Start-up Crowdfunding Registration & Prospectus Exemptions

Blanket Order No. 45-525 Prospectus Exemption For Certain Trades To Existing Security Holders

Local Exemptions – Nunavut

Securities Act (Nunavut)

Section 2 (Various exemptions from registration requirement)

Blanket Orders

Blanket Order No. 1 – Section 2 (Secondary Market Trading)

Blanket Order No. 1 – Subsection 3(a) (*Bona Fide* Debts of Non-control Persons)

Blanket Order No. 1 – Section 3(b) (Securities of a Cooperative)

Blanket Order No. 1 – Section 3(c) (Distributions commenced in reliance on Blanket Order exemptions in effect prior to September 14, 2005)

Blanket Order No. 3 – Subsection 2(a) (*Bona Fide* Debts of Non-control Persons)

Blanket Order No. 3 – Section 2(b) (Securities of a Cooperative)

Blanket Order No. 3 – Section 2(c) (Trades commenced in reliance on Blanket Order exemptions in effect prior to September 14, 2005)

Local Exemptions – Ontario

Securities Act (Ontario)

Section 34 (Exemption from registration requirements, advisers)

Section 35 (Exemption from registration requirements, dealers)

Section 35.1 (Exemption from registration requirement, financial institutions)

Section 73 (Exemption from prospectus requirement – debt securities of governments in Canada)

Section 73.1 (Exemption from prospectus requirement – securities of financial institutions)

Section 73.2 (Exemption from prospectus requirement – where other legislation applies)

Section 73.3 (Exemption from prospectus requirement – accredited investor)

Section 73.4 (Exemption from prospectus requirement – private issuer)

Section 73.5 (Exemption from prospectus requirement – government incentive securities)

Regulations

Ontario Regulation 85/05 *Exemptions respecting the Ontario Financing Authority*

Rules

Ontario Securities Commission Rule 32-501 *Direct Purchase Plans*

Ontario Securities Commission Rule 35-101 *Conditional Exemption from Registration for United States Broker-Dealers and Agents*

Ontario Securities Commission Rule 35-502 *Non Resident Advisers*

Ontario Securities Commission Rule 35-503 *Trades by Certain Members of The Toronto Stock Exchange*

Ontario Securities Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*

Ontario Securities Commission Rule 91-501 *Strip Bonds*

Ontario Securities Commission Rule 91-502 *Trades in Recognized Options – Rule Under the Securities Act*

Ontario Securities Commission Rule 91-503 *Trades in Commodity Futures Contracts and Commodity Futures Options Entered into on Commodity Futures Exchanges Situate Outside of Ontario – Rule Under the Securities Act*

Local Exemptions – Prince Edward Island

Rules

Local Rule 45-501 - *Exempt Distributions - Co-operative Associations*

Local Rule 45-502 - *Exempt Distributions - Credit Unions*

Local Exemptions – Québec

Securities Act (Québec)

Section 3 (exemptions)

Section 41 (prospectus exemptions)

Securities Regulation (Québec)

Section 192 (registration exemptions)

Derivatives Act (Québec)

Section 7 (over-the-counter derivatives activities or transactions involving accredited counterparties only or in any other case specified by regulation).

Derivatives Regulation

Section 11.14 (registration exemption to the extent the person carries on business solely for an accredited counterparty and its activity involves a standardized derivative that is offered primarily outside Québec)

General exemption decisions

Decision 2000-C-0699: Registration exemption for dealers in respect of trading at a distance on NASDAQ

Decision 2009-PDG-0007: Registration exemption for dealer and adviser activities relative to derivatives with accredited investors

Decision 2015-PDG-0066: Exemption from the risk acknowledgement form requirement for activities relating to derivatives described in decision 2009-PDG-0007

Decision 2015-PDG-0077: Start-up Crowdfunding Prospectus and Registration Exemptions

Local Exemptions – Saskatchewan

General Rulings/Orders

General Ruling/Order 21-901 *Market Facilitation Activities by Issuers in Their Own Securities*

General Ruling/Order 31-904 *Exemption from certain sections of National Instrument 31-103 in connection with transition and grandfathering matters*

General Ruling/Order 31-907 *Exemption from section 3.3 of National Instrument 31-103 Registration Requirements and Exemptions for representatives of scholarship plan dealers*

General Ruling/Order 31-915 *Exemption for mortgage investment entities from the requirement to register as investment fund managers and advisers*

General Ruling/Order 31-916 *Exemption from the Registration Requirement in NI 31-103 for International Dealers*

General Ruling/Order 31-917 *Exemption from the Registration Requirement in NI 31-103 for International Advisors*

General Ruling/Order 31-932 *Exemption from the Dealer Registration Requirement and the Adviser Registration Requirement in Respect of Trades and Advice for U.S. Resident Clients*

General Ruling/Order 43-901 *Trade Unions which Sponsor Labour Sponsored Venture Capital Corporations*

General Ruling/Order 45-902 *Labour-Sponsored Venture Capital Corporations*

General Ruling/Order 45-912 *Exemption for Co-operatives and Credit Unions*

General Ruling/Order 45-913 *Exemptions for Capital Accumulation Plans*

General Ruling/Order 45-916 *Exemption for Solicitations of Expressions of Interest*

General Ruling/Order 45-918 *Registration Exemption for Trades in Connection with Certain Prospectus Exempt Distributions*

General Ruling/Order 45-919 *Exemption from restriction on paying commissions and finder fees in offering memorandum exemption in National Instrument 45-106 Prospectus and Registration Exemptions*

General Ruling/Order 45-926 *Exemption from prospectus requirement for certain trades to existing security holders*

General Ruling/Order 45-927 *Exemption from Registration Requirement in NI 31-103 for Trades in Short-Term Debt Instruments*

General Ruling/Order 45-929 *Start-up Crowdfunding Registration and Prospectus Exemptions*

General Ruling/Order 72-901 *Trades to Purchasers Outside of Saskatchewan*

General Ruling/Order 91-904 *Trades of Government Warrants*

General Ruling/Order 91-905 *Certain Interests in Government Securities*

General Ruling/Order 91-906 *Strip Bonds*

General Ruling/Order 91-907 *Over-the-Counter Derivatives*

Local Exemptions – Yukon

Registrar's Order 1999/38 *Exemptions relating to Yukon Small Business Investment Tax Credit*

Superintendent's Order 2014/05 *Exemption from Prospectus Requirement for Certain Trades to Existing Security Holders*

Superintendent's Order 2015/01 *Exemption from the Registration Requirement in National Instrument 31-103 For Trades in Short Term Debt Instruments*

Superintendent's Order 2015/05 *Exemption from the dealer registration requirement and the adviser registration requirement in respect of trades and advice for U.S. resident clients*