

5.1.3 Notice of Amendments to OSC Rule 51-501 – AIF and MD&A, OSC Rule 51-801 – Implementing National Instrument 51-102 Continuous Disclosure Obligations and Companion Policy 51-501CP – to OSC Rule 51-501 AIF and MD&A

**NOTICE OF AMENDMENTS TO
ONTARIO SECURITIES COMMISSION RULE 51-501 – AIF AND MD&A, ONTARIO SECURITIES COMMISSION RULE 51-801 – IMPLEMENTING NATIONAL INSTRUMENT 51-102 CONTINUOUS DISCLOSURE OBLIGATIONS AND COMPANION POLICY 51-501CP – TO ONTARIO SECURITIES COMMISSION RULE 51-501 AIF AND MD&A**

Notice of Amendments to Rule and to Companion Policy

On February 28, 2005, the Commission made amendments to

- OSC Rule 51-501 – *AIF and MD&A* (OSC Rule 51-501) and OSC Rule 51-801 – *Implementing National Instrument 51-102 Continuous Disclosure Obligations* (OSC Rule 51-801) under section 143 of the *Securities Act* (Ontario) (the Act), and
- Companion Policy 51-501CP – *To Ontario Securities Commission Rule 51-501 AIF and MD&A* (OSC CP 51-501) under section 143.8 of the Act

(collectively, the Amendments).

The amendments to OSC Rule 51-501 and OSC Rule 51-801 were delivered to the Chair of Management Board of Cabinet on February 28, 2005. If the Minister does not reject these amendments or return them for further consideration, these amendments will come into force on May 16, 2005.

The Amendments have not been published for comment, as permitted by subsections 143.2(5)(c) and 143.8(6) of the Act. The Amendments do not materially change OSC Rule 51-501 or OSC Rule 51-801 and do not make material substantive changes to OSC CP 51-501.

Substance and Purpose of the Amendments

In connection with the adoption of National Instrument 51-102 *Continuous Disclosure Obligations* (NI 51-102), the Commission approved certain amendments to OSC Rule 51-501 and to OSC CP 51-501, including the revocation of OSC Rule 51-501 and the rescission of OSC CP 51-501 effective May 19, 2005. These amendments were set out in OSC Rule 51-801 which is an implementing rule applicable to reporting issuers other than investment funds. The amendments to OSC Rule 51-501 contained within the implementing rule should also have been limited to reporting issuers other than investment funds.

The purpose of the current Amendments is to continue the application of OSC Rule 51-501 and OSC CP 51-501 to investment funds (other than mutual funds) until the implementation of National Instrument 81-106 *Investment Fund Continuous Disclosure* (NI 81-106). The Amendments indicate that OSC Rule 51-501 continues to apply to non-redeemable investment funds for financial years that end prior to June 30, 2005, as NI 81-106 will apply to financial years ending on or after June 30, 2005. In order to continue the application of OSC Rule 51-501 to non-redeemable investment funds, the date on which OSC Rule 51-501 will be revoked and OSC CP 51-501 will be rescinded is being extended to May 30, 2006.

The Amendments do not affect reporting issuers which are subject to the requirements of NI 51-102.

Authority

Paragraph 143(1)22 of the Act authorizes the Commission to make rules prescribing requirements in respect of the preparation and dissemination and other use by reporting issuers of documents providing for continuous disclosure that are in addition to requirements under the Act.

Paragraph 143(1)24 of the Act authorizes the Commission to require issuers or other persons and companies to comply, in whole or in part, with Part XVIII (Continuous Disclosure), or rules made under paragraph 143(1) 22 of the Act.

Unpublished Materials

In making the Amendments, the Commission has not relied on any significant unpublished study, report or other written material.

Questions may be referred to any of:

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Text of Rescission of OSC CP 51-501

“The effective rescission date of Companion Policy 51-501CP – *To Ontario Securities Commission Rule 51-501 AIF and MD&A* is extended from May 19, 2005 to May 30, 2006.”

Text of Rule

The text of the amendments to OSC Rule 51-501 and OSC Rule 51-801 follows.