

NOTICE

**Implementation of New Multilateral Instrument 45-102 Resale of Securities
Companion Policy 45-102CP and Form 45-102F1
and
Repeal of Current Multilateral Instrument 45-102 Resale of Securities,
Companion Policy 45-102CP and Forms 45-102F1, 45-102F2 and 45-102F3
and
Other Consequential Amendments**

December 19, 2003

New Resale Rule Implemented

Effective March 30, 2004, the securities regulatory authorities in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Yukon, Northwest Territories and Nunavut (collectively, the CSA or we) are repealing the current Multilateral Instrument 45-102 Resale of Securities, Forms 45-102F1, 45-102F2 and 45-102F3 and Companion Policy 45-102CP (collectively, the Current Resale Rule) and replacing them with

- Multilateral Instrument 45-102 *Resale of Securities* (the Instrument), which contains Form 45-102F1 (the Form), and
- Companion Policy 45-102CP (the Policy)

(collectively, New MI 45-102).

The March 30, 2004 implementation will permit securities regulatory authorities in British Columbia, Ontario, Nova Scotia and Saskatchewan to obtain the ministerial approvals required under their rule-making procedures before the Instrument can come into effect.

The Instrument will be implemented as

- a rule in British Columbia, Alberta, Manitoba, Ontario, Prince Edward Island, Nova Scotia and Newfoundland and Labrador;
- a commission regulation in Saskatchewan;
- a policy or code in New Brunswick, the Northwest Territories, Nunavut and the Yukon.

The Instrument, Form and Policy will not be adopted in Québec.

The Instrument is being published concurrently with this Notice and can be found on websites of CSA members, including the following:

www.albertasecurities.com

www.osc.gov.on.ca

www.bcsc.bc.ca

www.sfsc.gov.sk.ca

www.msc.gov.mb.ca

In conjunction with the implementation of the Instrument, consequential amendments are being made to several other national instruments and to local securities legislation. See "Consequential Amendments to Other Instruments" below.

Background

The CSA published the Instrument, Form and Policy for comment on January 31, 2003. The comment period expired on May 2, 2003. During the 60-day comment period, we received eight written submissions. The majority of comments received were favourable. See "Summary of Changes" below, for a description of changes made to the Instrument and Policy as a result of comments received.

New MI 45-102 will replace the Current Resale Rule that came into effect in all jurisdictions except Québec on November 30, 2001. The Current Resale Rule harmonized certain provincial and territorial resale restrictions applicable to securities distributed under prospectus exemptions. It also harmonized the approach to distributions by control persons and provided for a prospectus exemption to permit the resale of securities of a non-reporting issuer with a minimal connection to Canada over a foreign exchange or market.

Under the Current Resale Rule, securities acquired in a private placement are subject to a four-month hold period if the issuer is a qualifying issuer (that is, its securities are listed on a specified exchange and it has filed a current AIF). If the issuer is not a qualifying issuer, resale is restricted for twelve months. The four-month/twelve-month regime also applies to seasoning periods and control block distributions.

The principal reason for the distinction between qualifying and non-qualifying issuers was to ensure that proper information reached the markets prior to resale by restricting the availability of the shortened period to those reporting issuers that supplemented their continuous disclosure records with an AIF. With the development of harmonized, enhanced continuous disclosure rules for adoption in all Canadian jurisdictions, we have eliminated the qualifying issuer concept in the Instrument and have moved to a simple four-month hold/seasoning regime for all reporting issuers. We have timed the implementation of New MI 45-102 to coincide with the effective date of the harmonized continuous disclosure rules.

Summary of Written Comments Received by the CSA

During the comment period we received submissions from 8 commenters. We have considered the comments received and thank all the commenters. The names of the commenters and a summary of their comments, together with our responses, are contained in Appendices A and B to this notice.

After considering the comments received, we have made changes to New MI 45-102. As these changes are not material, we are not republishing New MI 45-102 for a further comment period.

Summary of Changes to New MI 45-102

This section describes changes made to New MI 45-102 published for comment on January 31, 2003 other than those changes that are of a minor nature, or those made only for the purposes of clarification or for drafting reasons. The majority of changes were made by the CSA in response to comments received. Others were made as a result of further deliberations by the CSA.

Amendments to the Instrument

1. We have broadened the language in section 2.5(2) to accommodate electronic alternatives to a paper certificate with a legend.
2. In response to comments, we revised item 3 of subsection 2.5(2) to retain separate forms of legends for reporting issuers and non-reporting issuers.
3. In response to comments, we have added a new clause to section 2.5 clarifying that, in the case of convertible securities, issuers do not need to comply with the legend requirement if the underlying securities are issued after the expiry of the 4 month restricted period.
4. In response to comments, we have amended section 2.8 to modify the time period for filing Form 45-102F1, by eliminating the “not more than 14 days” requirement and eliminating the renewal provision. This means that a control person wishing to sell securities must give seven days advance notice to the marketplace by filing Form 45-102F1 and the notice expires 30 days after Form 45-102F1 is filed. We have also added a transitional provision to section 2.8 under which control persons that file an initial or renewal Form 45-102F3 under the Current Resale Rule before March 30, 2004 are not subject to the requirement to file a Form 45-102F1 for up to 30 days from the date the form was filed.
5. In response to comments, Appendix D and E have been updated to list all the available prospectus exemptions in multilateral instruments in effect as of the implementation date of the Instrument.

Amendment to the Form

1. In response to comments, the instructions to Form 45-102F1 have been modified to direct selling security holders to file the Form electronically through SEDAR.

Amendments to the Policy

1. We have added language to section 1.2 of the Policy clarifying that an investor may rely on the exemption in section 2.14 of New MI 45-102 to resell securities acquired under a discretionary order or ruling during the restricted period or seasoning period imposed.
2. In response to comments, we have clarified section 1.7 of the Policy. Issuers may supplement the specified text of the legend on the certificate or the restricted legend notation on the ownership statement as long as the additional wording does not adversely alter the meaning of the legend text.
3. In response to comments, we have clarified section 1.9 of the Policy to direct persons interested in the meaning of “no unusual effort” to the case law, in particular the 1985 order of the Ontario Securities Commission in the matter of Daon Development Corporation and Daon Corporation, and the definition in section 4 of the Alberta Securities Commission general rules.
4. In response to comments, we have added language to section 1.12 of the Policy to clarify that the prospectus exemption in section 2.8 of the Instrument was also intended to apply to realizations by way of foreclosure and/or sales following a foreclosure.

Consequential Amendments to Other Instruments

We are also making consequential amendments to a number of national instruments and local securities legislation concurrently with the implementation of New MI 45-102. These consequential amendments will come into effect at the same time as the Instrument, on March 30, 2004.

National Instruments

The texts of the consequential amendments to National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)* and National Instrument 62-101 *Control Block Distribution Issues* are set out in Appendix C to this Notice. The amendments are substantially similar to those published previously.

Local Instruments

Securities regulatory authorities may also publish in their local jurisdiction, separately or as an Appendix D to this Notice, consequential amendments to local securities legislation and policies.

Text of the Instrument, Forms and Policy

The text of New MI 45-102 follows the Appendices.

Questions

Questions relating to New MI 45-102 may be referred to:

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**APPENDIX A
TO NOTICE**

**LIST OF COMMENTATORS ON
MULTILATERAL INSTRUMENT 45-102
FORM 45-102F1
COMPANION POLICY 45-102CP**

RESALE OF SECURITIES

1. CIBC Mellon Global Securities Company and CIBC Mellon Trust Company by letter dated April 17, 2003
2. Securities Transfer Association of Canada by letter dated April 29, 2003
3. Borden Ladner Gervais by letter dated May 1, 2003
4. Torys LLP by letter dated May 1, 2003
5. The Canadian Capital Markets Association by letter dated May 2, 2003
6. Market Regulation Services Inc. by letter dated May 2, 2003
7. TSX Venture Exchange by letter dated May 5, 2003*
8. Osler, Hoskin & Harcourt by letter dated May 6, 2003*

* This letter was received following the expiry of the comment period.

**APPENDIX B
TO NOTICE**

**SUMMARY OF COMMENTS RECEIVED ON
PROPOSED MULTILATERAL INSTRUMENT 45-102,
PROPOSED FORM 45-102F1
AND PROPOSED COMPANION POLICY 45-102CP
AND
RESPONSE OF THE CANADIAN SECURITIES ADMINISTRATORS**

A. INTRODUCTION

On January 31, 2003, the CSA published New MI 45-102 for comment. New MI 45-102 is intended to replace the Current Resale Rule that came into effect in all CSA jurisdictions, except Québec, on November 30, 2001. We also proposed making consequential amendments to National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)* and National Instrument 62-101 *Control Block Distribution Issues*.

The CSA received eight submissions on New MI 45-102. The CSA have considered all submissions received and thank all commenters for providing their comments. The following is a summary of the comments received, together with the CSA's responses.

No.	Theme	Comment	Response
1.	Simplification of the resale rules	Four commenters expressed strong support for the proposed simplification of the resale rules. Three made suggestions for further simplifications.	The CSA acknowledges the support of the commenters.
2.	Elimination of current AIF requirement	One commenter, while generally supportive of the CSA's direction in MI 45-102, is concerned that eliminating a mandatory current AIF for small issuers removes the incentive to consolidate and update their disclosure record in one document on an annual basis.	The CSA acknowledges the concern expressed about the interplay between the new continuous disclosure rules and the revisions to the Current Resale Rule. In developing new enhanced, harmonized continuous disclosure rules for reporting issuers, the CSA determined it was appropriate to exclude venture issuers from the mandatory AIF requirement and has received strong industry support for this initiative.
3.	Section 2.5(1): Scope of application	One commenter indicates there is an ambiguity as to whether the deeming provision in section	The CSA does not agree that the wording of section 2.5(1) is ambiguous. CSA staff have

No.	Theme	Comment	Response
		<p>2.5(1) is intended to apply to trades within a local jurisdiction or for the purposes of all jurisdictions adopting New MI 45-102. The section currently provides that a trade specified by section 2.3 or “other securities legislation of a jurisdiction” is a distribution. The commenter suggests the provision be revised to allow each jurisdiction to determine the resale regime that will apply to securities on a national basis, rather than just within the jurisdiction itself.</p>	<p>fielded very few calls dealing with the deeming provision since MI 45-102 came into effect in November, 2001.</p> <p>The reference to “other securities legislation” is intended to capture any new exemptions adopted by way of rule, regulation or code that are specifically made subject in the rule to the resale rules in MI 45-102. Recent examples include the capital-raising exemptions in MI 45-103, the employee, officer, director and consultant exemptions in MI 45-105 and the new private placement exemptions in OSC Rule 45-501.</p> <p>The CSA does not agree that the effect of the current wording in section 2.5(1) is to make securities privately placed in one jurisdiction immediately freely tradable in every other jurisdiction. Currently, a security acquired by an investor under any of the exemptions listed in Appendix D, E and F is subject to resale restrictions. The purpose of the legend requirement is to bring these resale restrictions to the attention of the investor purchasing this security.</p>
4.	Section 2.5(2): Legending alternative	<p>Four commenters request that the CSA add an alternative to the legending requirement in section 2.5(3). Three of the commenters suggest adding an electronic alternative to a paper certificate with a legend. The commenters believe this amendment is</p>	<p>The CSA acknowledges the concerns expressed and have amended section 2.5 to accommodate electronic alternatives to a legended paper certificate.</p> <p>This will provide investors with</p>

No.	Theme	Comment	Response
		<p>necessary as securities are increasingly being issued, cleared and settled in electronic form.</p> <p>The fourth commenter suggests several other alternatives to the imposition of a legend requirement that the commenter believes to be a more effective means of alerting investors to the existence of resale restrictions under Canadian securities laws.</p>	<p>the option of requesting the issuance of either a paper certificate bearing a legend or an ownership statement with a legend restriction notation issued under an electronic book-entry system of direct registration or, in the near future, to a nominee name system. The CSA believes this will alleviate many of the logistical difficulties and associated costs identified by the commenters.</p>
5.	Section 2.5(2): Legend text	<p>One commenter requests that the CSA revert to separate forms of legend for reporting issuers and non-reporting issuers and that the text of the legend be revised. The commenter suggests replacing the words “unless permitted under securities legislation” with “except pursuant to a prospectus or a prospectus exemption” and adding a clarification that the legend addresses only Canadian securities laws and is only applicable to resales in certain provinces.</p>	<p>The CSA have revised section 2.5 to retain separate forms of legend for reporting issuers and non-reporting issuers. We have also reviewed the text of the legend but are not convinced that other suggested revisions are necessary or appropriate. Issuers may choose to add clarifying language to the certificate or ownership statement, provided the additional language does not alter the meaning of the specified legend text.</p>
6.	Section 2.5: Strict compliance with legend requirement	<p>One commenter recommends that the CSA clarify that failure to strictly comply with the requirement in item 3 of subsection 2.5(2) to issue a certificate carrying a legend does not make an otherwise valid resale after the restricted period has expired an illegal distribution.</p>	<p>As the commenter notes, the provision does not specify when a certificate carrying a legend must be issued. The CSA believes that it is reasonable to expect that a certificate carrying the specified legend text would be issued at the closing of the offering to give holders of the security notice of the applicable resale restrictions to the holder of the security. If no certificate is requested by the investor or issued by the issuer or the certificate issued fails to carry the specified legend text, the issuer can issue a new or replacement</p>

No.	Theme	Comment	Response
			<p>certificate carrying the specified legend at any time prior to the resale of the security under subsection 2.5(2). The CSA believes that the addition of an electronic alternative to paper certificates will also reduce issuers' problems with legending certificates. As an increasing number of issuers and investors embrace the direct registration book-entry system, investors will receive an ownership statement bearing a restricted legend notation that clearly notifies them of the applicable resale restrictions and can be tracked electronically to block transfers within the restricted period.</p> <p>We have also amended section 2.5 to add a clause clarifying that, in the case of convertible securities, issuers do not need to comply with the legend requirement if the underlying securities are issued after the expiry of the 4 month restricted period.</p>
7.	Section 2.7: Necessity for preserving seasoning for post IPO exempt offerings	One commenter is strongly supportive of the new exemption in section 2.7 and suggests also removing the seasoning requirement for all exempt offerings made after the issuer's initial public offering. The commenter believes that the new continuous disclosure rules will provide purchasers of exempt securities after the initial public offering with access to current and accurate information about the issuer and its securities in the same way that the prospectus	The CSA acknowledges the support of the commenter for the new exemption in section 2.7 but is not prepared at this time to eliminate the seasoning period requirement for all exempt offerings. The CSA believes that it has taken an important step in simplifying the closed system by eliminating seasoning periods for securities issued prior to an issuer's initial public offering which is a marked departure from the existing resale regime. Also, as exempt offerings are often

No.	Theme	Comment	Response
		<p>provides investors who purchased prior to the initial public offering with access to current and accurate information. Access to an issuer’s continuous disclosure record should eliminate the need for any seasoning period for exempt offerings.</p> <p>Another commenter suggests that the underlying rationale for this provision is unclear and leads to perverse results. The commenter also believes that section 2.7 should not be limited to issuers that become reporting issuers only by filing a prospectus and not by any other means resulting in the preparation of a document containing prospectus-level disclosure.</p>	<p>subject to both seasoning and restricted periods under New MI 45-102, eliminating the seasoning period would have minimal effect. Also, as exempt offerings are often subject to both seasoning and restricted periods under New MI 45-102, eliminating the seasoning period would have minimal effect.</p>
8.	<p>Section 2.7: Eliminate seasoning period for those issuers becoming a reporting issuer other than by filing a prospectus</p>	<p>Two commenters suggest that section 2.7 be expanded to include issuers that become reporting issuers by filing a public disclosure document other than a prospectus. The commenters believe that the exemption in section 2.7 should be available whether the issuer became a reporting issuer by filing a prospectus or through any other means involving the preparation and public dissemination of disclosure documents required to provide prospectus level disclosure like a securities exchange take-over bid or issuer bid or an information circular for a meeting to approve a plan of arrangement involving a predecessor reporting issuer.</p>	<p>The CSA has not expanded section 2.7 in the manner suggested. An issuer does not automatically become a reporting issuer by filing a securities exchange take-over bid, a securities exchange issuer bid or an information circular in all or any jurisdictions. Further, unlike a prospectus, none of the public disclosure documents identified by the commenter are subject to a review and receipt process.</p>
9.	Section 2.8:	One commenter suggests that	The CSA agrees that there should

No.	Theme	Comment	Response
	Pledges and realization by foreclosure	<p>section 2.8 be amended to cover a realization by way of foreclosure as well as by way of power of sale.</p> <p>The commenter believes there is no reason that a pledgee’s choice of remedy should dictate the applicable resale restrictions, i.e. be able to use power of sale to immediately effect a resale but not to foreclose and take securities on its own books for subsequent resale.</p>	<p>be no difference in treatment between the realizations by way of power of sale or foreclosure.</p> <p>The CSA believes the wording of the exemption is broad enough to cover both types of realizations. We will add a clarification in the companion policy that section 2.8 is intended to cover realizations by way of foreclosure and/or sales following foreclosure, as well as by power of sale.</p>
10.	Section 2.8: Time periods for filing advance notice of intention to sell from a control block	<p>One commenter suggests that the time period in section 2.8(5)(a) be modified to eliminate the “not more than 14 days” requirement in connection with the filing of Form 45-102F1. The commenter believes that this requirement forces control persons to make a sale (often nominal) prior to the expiry of 14 days even if market conditions have become unfavourable since the date of the notice. The commenter suggests a better procedure would be for the notice to lapse if no sale has been made within 30 days, subject to the right to renew.</p>	<p>The CSA acknowledges the concerns expressed by the commenter and those commenting on the Uniform Securities Project concept proposal entitled <i>Blueprint for Uniform Securities Laws in Canada</i>. We have amended section 2.8 to modify the time period for filing Form 45-102F1 and to provide that the Form 45-102F1 expires 30 days after it is filed.</p>
11.	Section 2.11 and 2.12: Replace offeror with issuer	<p>One commenter suggests replacing the references to “offeror” in section 2.11 and section 2.12(c) in recognition that securities may be issued by an entity other than the offeror (e.g. the parent of a special purpose or wholly-owned subsidiary)</p>	<p>The CSA does not agree that it is necessary or appropriate to replace “offeror” with “issuer” in sections 2.11 and 2.12. The CSA considers entities that use special purpose entities or wholly-owned subsidiaries to conduct a take-over bid or issuer bid to be joint offerors or to be acting jointly and in concert with the named offeror. Interested persons should refer to CSA Notice 62-303 - <i>Identifying the Offeror in a</i></p>

No.	Theme	Comment	Response
			<i>Take-over Bid</i> for further details.
12.	Section 2.14: Expand to include a recognized ATS	One commenter suggests expanding section 2.14(c) to permit the first trade of securities of a non-reporting issuer with a foreign listing to be traded through a recognized alternative trading system in Canada.	<p>The CSA is not convinced that it is appropriate to expand section 2.14 to add alternative trading systems. The underlying rationale for the de minimis exemption is that the issuer has a minimal connection to Canada as evidenced by a de minimis number of security holders in Canada and no market for its securities in Canada. Permitting these securities to be traded through a recognized alternative trading system in Canada would facilitate the development of a Canadian market for the securities as the alternative trading system would likely match Canadian buyers and sellers to effect the trade.</p> <p>The CSA would prefer to provide discretionary exemptions on a case-by-case basis where the alternative trading system can demonstrate that it operates an order-routing system that routes orders to a central order book located outside of Canada for execution on a variety of foreign markets and has not established a Canadian matching system.</p>
13.	Section 2.14: Expand its availability to the securities of all issuers with a market outside of Canada	Another commenter suggests expanding the exemption in section 2.14 to be available for securities of any issuer, whether or not a reporting issuer, and whether or not Canadians hold 10% or more of the outstanding securities or represent more than 10% of the holders. To protect Canadian	The CSA considers the suggestion to open this exemption up to any issuer with a market for its securities outside of Canada to be too big a step to take at this time. The concept of a safe harbour is being examined as part of the Uniform Securities Legislation Project. We will

No.	Theme	Comment	Response
		investors, the commenter recommends that an anti-avoidance provision be added to preclude sales to Canadian residents.	ensure that this comment is passed along to CSA staff working on the Uniform Securities Legislation Project.
14.	Section 2.14: Interrelationship with OSC Interpretation Note 1	The same commenter observes that the interrelationship between the exemption in section 2.14 and the Interpretation Note that replaced OSC Policy 1.5 (and comparable instruments in other jurisdictions) is not entirely clear. Some jurisdictions have taken the view that their securities laws do not necessarily apply to sales to purchasers outside of the jurisdiction. The commenter suggests that it would be helpful for the CSA to clarify that section 2.14 is only intended to be a safe harbour and that a separate analysis is necessary to determine whether the securities laws of a jurisdiction apply to distributions outside the jurisdiction.	The issue of distributions outside the jurisdiction is being clarified in the context of the Uniform Securities Legislation Project. We will ensure that this comment is passed along to CSA staff working on the Uniform Securities Legislation Project for consideration in the context of that project.
15.	Resolution of conflicts	One commenter believes that MI 45-102 should contain a provision for resolving conflicts that arise when different resale provisions apply to securities distributed in a single transaction utilizing an exemption listed in Appendix D in some jurisdictions and in Appendix E in another - expressly stating what result should apply on a national basis.	Unfortunately, it is beyond the scope of this project to resolve the conflicts of law issues identified by the commenter. The CSA is currently developing a uniform exemptions rule as part of the Uniform Securities Legislation Project to address these conflicts.
16.	Clarification of “no unusual effort to prepare the market”	One commenter suggests that the concept of “no unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade”	As the commenter points out, there is both case law dealing with the concept of no unusual effort to prepare the market and the interpretation of what

No.	Theme	Comment	Response
		<p>should be defined in the instrument or, alternatively, that guidance should be provided in the companion policy.</p>	<p>constitutes unusual effort to prepare the market in section 4 of the Alberta Securities Commission General Rules. The CSA does not think it is necessary in the circumstances to define this concept in the instrument. The CSA will, however, clarify in the companion policy that interested parties should look to the case law and the ASC Rules for guidance in this area.</p>
17.	Appendix D and E	<p>One commenter recommends that the CSA update Appendix D and E to include all current prospectus exemptions, particularly those found in MI 45-103 Capital Raising Exemptions and OSC Rule 45-501 <i>Exempt Distributions</i>, in order to make it easier to understand and use MI 45-102.</p>	<p>The CSA acknowledges the concern expressed and will update these two appendices to list all available prospectus exemptions in multilateral instruments in effect as of the implementation date of this instrument.</p>
18.	Form 45-102F1: Instructions	<p>One commenter suggests that it would be helpful to clarify in the instructions to this Form that in those cases where a security is not being sold on an exchange, the Form should be filed in those jurisdictions in which the purchaser of the security resides.</p>	<p>The CSA does not think it is necessary or appropriate to revise the instructions to the Form as suggested. Until the issue of sales to purchasers outside the jurisdiction has been addressed in the context of the Uniform Securities Law Project, issuers must look to the securities laws of the jurisdictions in which the vendor and purchasers reside to determine where a trade occurs to determine where to file the Form.</p>
19.	Participation of Quebec in MI 45-102	<p>One commenter comments that it is unfortunate that only one jurisdiction in Canada has declined to participate in this instrument. The commenter suggests that this may be an appropriate time to</p>	<p>The other CSA jurisdictions acknowledge the sentiments expressed and acknowledges the benefits for investors and issuers of having one set of clear, consistent and fair resale rules.</p>

No.	Theme	Comment	Response
		revisit with the Province of Quebec the possibility of its participation and the harmonization of the resale regime across Canada.	While the CSA would welcome Quebec's participation in MI 45-102, that decision is ultimately up to the Province of Quebec.

APPENDIX C

AMENDMENTS TO NATIONAL INSTRUMENT 13-101 *System For Electronic Document Analysis and Retrieval (SEDAR)*

and

AMENDMENTS TO NATIONAL INSTRUMENT 62-101 *Control Block Distribution Issues*

PART 1 AMENDMENTS TO NATIONAL INSTRUMENT 13-101

1.1 Amendments - The Appendix to National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)* is amended by

- (a) deleting under Part 2 – "*Other Issuers*" "*Continuous Disclosure*" "*General Filings*",
 - (i) Annual Information Form (SHAIF System),
 - (ii) Amended Annual Information Form (SHAIF System),
 - (iii) Notice (SHAIF),
- (b) Adding under "*Part 2 – Other Issuers*" "*Continuous Disclosure*" "*General Filings*"

Form 1 (Resale Rule)

PART 2 AMENDMENTS TO NATIONAL INSTRUMENT 62-101

2.1 Amendments - National Instrument 62-101 *Control Block Distribution Issues* is amended by

- (a) amending section 1.1 by deleting the definition of information circular requirement;
- (b) amending section 2.1 by deleting the words “and in Quebec only, the information circular requirement,” in subsection (1);
- (c) deleting section 2.2 Pledgees;

- (d) amending Appendix A to strike the reference to Quebec and Policy Statement Q-12 Secondary Distribution through Solicitations under the *Securities Act* (Quebec);
- (e) deleting Appendix B; and
- (f) deleting Appendix C.

PART 3 EFFECTIVE DATE

3.1 Effective Date – These Amendments are effective March 30, 2004.