

MSC NOTICE 2006-35

On November 1, 2006, certain provisions of Bill 17 – The Securities Amendment Act, S.M. 2006, c. 11 came into force including:

- adding a definition for "reporting issuer" in s. 1; and
- the enactment of s. 141.1 which gives statutory rights to purchasers of securities where an offering memorandum is used.

With the addition of a general definition of "reporting issuer", the definition found in local rule 14-501 Definitions is no longer required. The Commission is proposing an amendment to 14-501 to repeal the definition of reporting issuer.

Currently the term "offering memorandum" is not defined in the Act, and is only specifically defined in connection with certain exemptions under The Securities Regulation. The Commission has determined it would be appropriate to provide a general definition for "offering memorandum" to provide greater clarity as to when statutory rights of action under s. 141.1 would apply to a trade.

During the comment process, staff are of the view that statutory rights will be available in the situations consistent with the proposed rule.

Published with this notice are amendments to local rule 14-501 Definitions which are being published for comment. We welcome your comments on the proposed amendments to NI 14-501.

Please submit your comments in writing on or before January 2, 2007. If you are not sending your comments by email, please include a diskette containing the submissions (in Windows format, Word). Comments can be forwarded to:

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Any comments received will not be held as confidential, and may be published by the Commission.

November 3, 2006

