

**Request for Comment**  
**Proposed Amendments to National Instrument 44-101 Short Form Prospectus**  
**Distributions, Form 44-101F3 Short Form Prospectus and Companion Policy 44-101CP**

**Introduction**

We (the members of the Canadian Securities Administrators (CSA)) are publishing for comment proposed amendments to National Instrument 44-101 *Short Form Prospectus Distributions* (the Instrument). We are also publishing for comment amendments to related forms and amendments to the companion policy.

Additional information on the proposed amendments to the Instrument, required for publication in Ontario, can be found in the form of notice published in the OSC Bulletin or on its Website at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

**Substance, Purpose and Background**

Subject to ministerial approval, on March 30, 2004, National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (NI 52-107) will be effective. NI 52-107 allows in certain circumstances financial statements to be prepared using foreign generally accepted accounting principles and financial statements to be audited using foreign generally accepted auditing standards. The Instrument requires all financial statements to be prepared using Canadian generally accepted accounting principles and financial statements to be audited using Canadian generally accepted auditing standards. As a result, we are proposing amendments to the Instrument to make it consistent with NI 52-107.

**Summary of the Proposed Amendments to the Instrument**

The proposed amendments will

- update the definitions in the Instrument,
- delete references to matters that will be dealt with in NI 52-107, and
- basically repeal Part 7 of the Instrument dealing with accounting principles, auditing standards, auditors' reports and other financial statement matters, and replace this part with a reference to NI 52-107.

**Alternatives Considered**

No other alternatives were considered.

**Unpublished Materials**

No unpublished study, report, or other written materials were relied on in proposing the amendments to this Instrument.

**Anticipated Costs and Benefits**

The purpose of the proposed amendments is to eliminate inconsistencies with existing rules and increases the number of acceptable accounting principles and auditing standards. Consequently, the proposed amendments to the Instrument reduce the cost of compliance for issuers and registrants.

## **Request for Comments**

We welcome your comments on the proposed amendments to the Instrument and the Policy. Please submit your comments in writing on or before April 29, 2004. If you are not sending your comments by email, a diskette containing the submissions (in Windows format, Word) should also be forwarded.

Address your submission to all of the CSA member commissions, as follows:

British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission  
Manitoba Securities Commission  
Ontario Securities Commission  
Office of the Administrator, New Brunswick  
Registrar of Securities, Prince Edward Island  
Nova Scotia Securities Commission  
Newfoundland and Labrador Securities Commission  
Registrar of Securities, Northwest Territories  
Registrar of Securities, Yukon Territory  
Registrar of Securities, Nunavut

Deliver your comments **only** to the addressed that follow. Your comments will be forwarded to the remaining CSA member jurisdictions.

John Stevenson  
Secretary to the Commission  
Ontario Securities Commission  
20 Queen Street West  
19<sup>th</sup> Floor, Box 55  
Toronto, Ontario  
Fax: (416) 593-2318  
e-mail: [jstevenson@osc.gov.on.ca](mailto:jstevenson@osc.gov.on.ca)

Denise Brosseau, Secretary  
Commission des valeurs mobilières du Québec  
Stock Exchange Tower  
800 Victoria Square  
P.O. Box 246, 22<sup>nd</sup> Floor  
Montreal, Quebec  
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Fax: (514) 864-6381  
e-mail: [consultation-en-cours@cvmq.com](mailto:consultation-en-cours@cvmq.com)

We cannot keep submissions confidential because securities legislation in certain provinces requires publication of a summary of the written comments received during the comment period.

## **Questions**

Please refer your questions to any of:

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The text of the proposed amendments to the Instrument follows or can be found elsewhere on a CSA member website.

January 30, 2004