

MSC NOTICE 2007-12

Amendments to Local Rule 14-501 *Definitions*

On November 3, 2006 the Commission published amendments to Local Rule 14-501 *Definitions* for comment (the “Amending Instrument”). The amendments:

- Delete the definition of “reporting issuer”; and
- Add a definition for “offering memorandum” for certain purposes.

The amendments were made as a result of the proclamation of parts of *The Securities Amendment Act*, S.M. 2006, c. 11 on November 1, 2006. The comment period on the Amending Instrument expired January 2, 2007. A comment which was received after the comment period was considered by the Commission, but did not result in any changes to the text of the amendments. The Commission has made the Amending Instrument a rule effective March 2, 2007.

It is staff's current view that an offering memorandum under s. 91(b) of *The Securities Regulation* must continue to offer contractual rights as contractual rights of action are included in the form of offering memorandum prescribed for use with that exemption. Staff will be recommending amendments be made to the regulations to remove the reference to contractual rights so that an offering memorandum provided under s. 91(b) may instead refer to statutory rights.

Any questions on this notice can be directed to:

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