

**Provincial-
Territorial
Securities
Initiative**

Press Release

**Securities Reform – Provinces and Territories
Agree to Implement Passport System**

September 30, 2004

Calgary... In a move that marks historic cooperation, Canada's provincial and territorial Ministers responsible for securities regulation met today and took a major step towards improving securities regulation in Canada.

The Ministers of Quebec, New Brunswick, Manitoba, British Columbia, Saskatchewan, Alberta and Yukon today signed the "*Provincial/Territorial Memorandum of Understanding Regarding Securities Regulation*". Ministers from Nova Scotia, Prince Edward Island, Newfoundland, the Northwest Territories and Nunavut have agreed in principle to sign the MOU or to present it to their Cabinet for a decision this fall.

Ministers agree the time is right to move forward to adopt the passport system as an important first step in improving Canada's securities regulatory framework. "The passport system will make it easier and less costly for firms wishing to access capital markets in more than one province or territory," said the Hon. Greg Melchin, Minister of Revenue for Alberta and Chair of the Provincial/Territorial Securities Steering Committee. "Working together, we can accomplish meaningful steps on the road to reform. We remain committed to looking for additional ways to improve the Canadian securities regulatory system."

The MOU provides for meaningful and timely improvements to the current system, including:

- A "passport system" for securities regulation, resulting in a single window of access to capital markets in participating provinces and territories, to be established by August 2005;
- Highly harmonized, streamlined and simplified securities laws to be implemented by the end of 2006;
- A Council of Ministers to facilitate change and ongoing cooperation;
- A review of regulatory fees charged in the context of the passport system; and
- A commitment to explore options for further reform.

"All jurisdictions have a strong commitment to real regulatory reform," said Melchin. "We are confident we can implement improvements that will result in a regulatory structure that is efficient, streamlined and effective, while providing a high standard of investor protection across Canada."

More information is available as of October 1 at www.securitiescanada.org and www.valeursmobilieres.org

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