

## Appendix B

### Amendments to National Policy 12-201 *Mutual Reliance Review System for Exemptive Relief Applications*<sup>1</sup>

#### PART 1 AMENDMENTS TO NATIONAL POLICY 12-201

##### 1.1 **Amendments** – National Policy 12-201 *Mutual Reliance Review System for Exemptive Relief Applications* is amended by

- (a) adding the following at the end of section 2.1(2):

However, we encourage market participants to rely on the exemption in section 5.4(1) of National Instrument 11-102 *Passport System* (NI 11-102) for any application made in more than one jurisdiction for an exemption from a requirement identified in Appendix E of NI 11-102. Under NI 11-102, a filer needs to obtain a discretionary exemption only in its principal jurisdiction to have an equivalent exemption in each local jurisdiction. This policy is designed primarily to deal with applications for exemptions from requirements not listed in Appendix E of NI 11-102, like an application to cease to be a reporting issuer, mutual fund, non-redeemable investment fund or insider. A filer who wishes to obtain an exemption from a requirement listed in Appendix E of NI 11-102 in multiple jurisdictions does not need to file an application and pay fees in non-principal jurisdictions. See Part 5 and Appendix B of Companion Policy 11-102 *Passport System* for more details.

- (b) repealing section 3.2.2 and substituting the following:

If the head office is not in a participating principal jurisdiction, the filer should select the principal regulator in the jurisdiction in which it has the most significant connection. A filer should consider the following factors, listed in order of influential weight, in identifying its principal regulator based on its most significant connection:

- (a) location of reporting issuer or registration status
- (b) location of management
- (c) location of assets and operations

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<sup>1</sup> In Québec, this policy is adopted as Notice 12-201 Relating to the Mutual Reliance Review System for Exemptive Relief Applications.

- (d) location of majority of shareholders or clients
  - (e) location of trading market or quotation system in Canada
- (c) repealing section 3.2.3.
- (d) adding the following after section 3.2.4:
  - 5. If the application is for exemptive relief from insider reporting requirements, it is the location of the head office of the reporting issuer, not the insider, which determines the principal regulator under section 3.2 for the application.
  - 6. If the application is for exemptive relief from take-over bid requirements, it is the location of the head office of the offeree issuer, not the offeror, which determines the principal regulator under section 3.2 for the application.
- (e) deleting the last paragraph under section 3.2;
- (f) repealing section 3.3(1) and substituting the following:

(1) A filer may also apply for a change of principal regulator for an application if:

  - (a) the filer believes the principal regulator identified under section 3.2 is inappropriate,
  - (b) the location of the filer's head office changes,
  - (c) the principal regulator originally selected for an application based on the most significant connection to a participating principal jurisdiction changes over the course of the application,
  - (d) the filer withdraws its application in the principal jurisdiction because no exemptive relief is required, or
  - (e) the filer does not require all of the exemptive relief in the principal jurisdiction.
- (g) repealing section 3.3(5); and
- (h) striking out "(1)(b)" and substituting "(1)" in section 3.3(6).

**PART 2      EFFECTIVE DATE**

2.1      **Effective Date** - This amendment is effective ●.