

Appendix A

Summary of Principal Changes to the Proposed Amendments

The following is a summary of principal changes to the Proposed Amendments. None of the changes is a material change to the Proposed Amendments.

Amendments to NI 51-102

- The definitions of “financial outlook” and “FOFI” have been moved to subsection 1.1(1) of NI 51-102. The examples of types of financial outlooks have been moved from the definition of “financial outlook” to section 4A.3 of CP 51-102.
- Subsection 4B.3(a) has been changed to require identification of the date management approved the FOFI or financial outlook only if the document containing the FOFI or financial outlook is undated.
- A new paragraph 5.8(3)(b) has been added to require that a reporting issuer who issues a news release referred to in paragraph 5.8(3)(a) in lieu of the MD&A disclosure required by subsection 5.8(2) also include a cross-reference to the news release in the MD&A or MD&A supplement.
- A new paragraph 5.8(6)(b) has been added to require that a reporting issuer who issues a news release referred to in paragraph 5.8(6)(a) in lieu of the MD&A disclosure required by subsection 5.8(5) also include a cross-reference to the news release in the MD&A or MD&A supplement.

Amendments to CP 51-102

- Section 4A.3 has been changed to provide more guidance on when forward-looking information is material. It now sets out our view that FOFI and most financial outlooks are material forward-looking information, and provides an example of material forward-looking information that is not a financial outlook or FOFI.

Consequential Rule Amendments and Related Policy Amendments

- CP 44-101: The previous proposed section 4.14 has been removed. This section previously gave guidance regarding dissemination of forward-looking information during the course of a distribution. If information disseminated during a distribution constitutes an act in furtherance of a trade, the guidance in Part 6 of the proposed companion policy to proposed National Instrument 41-101 *General Prospectus Requirements* will apply. A new section 4.14 has been added that

states that (if not already discussed in previously-filed MD&A) an issuer should discuss in the short form prospectus events and circumstances that are reasonably likely to cause actual results to differ materially from previously disclosed material forward-looking information for a period that is not complete, as well as the expected differences.

- Form 44-101F1: paragraph (13) has been changed to clarify that section 4A.2, section 4A.3 and Part 4B of NI 51-102 apply to any issuer or other entity that the forward-looking information in the short form prospectus relates to, regardless of whether the issuer or other entity is a reporting issuer.
- Form 45-101F: item 17.1 has been changed to clarify that section 4A.2, section 4A.3 and Part 4B of NI 51-102 apply to any issuer or other entity that the forward-looking information in the rights offering circular relates to, regardless of whether the issuer or other entity is a reporting issuer.
- Form 45-106F2: item B.12 of the instructions has been changed to clarify that section 4A.2, section 4A.3 and Part 4B of NI 51-102 apply as if references to “reporting issuer” were references to “issuer”.

Amendments to NP 41-201

A sentence has been added to the first paragraph of section 2.8 to clarify that although securities legislation does not prohibit the use of projections in preparing estimated distributable cash information, we believe that a forecast prepared in accordance with CICA Handbook section 4250 *Future-oriented Financial Information* is more appropriate. This amendment was not included in the December Notice. However, no notice of this amendment is required as the amendment does not make a material substantive change to an existing policy.

Amendments to NP 51-201

Section 6.4(1), which recommends board and audit committee review of certain financial disclosures, has been amended to replace “earnings guidance” with “financial outlooks and FOFI, as defined in National Instrument 51-102 – Continuous Disclosure Obligations.” This amendment was not included in the December Notice. However, no notice of this amendment is required as the amendment does not make a material substantive change to an existing policy.