

# Goodmans<sup>LLP</sup> Update

Barristers & Solicitors

Toronto / Vancouver / Hong Kong

goodmans.ca

## Corporate Securities Law

February 24, 2005

### Canadian Securities Administrators Provide Clarification On Time For Delivering Annual Financial Statements

The Canadian Securities Administrators (“CSA”) recently issued a Staff Notice which provides clarification on the time for delivering annual financial statements and MD&A to securityholders under National Instrument 51-102 *Continuous Disclosure Obligations* (“NI 51-102”).

Upon coming into force on March 30, 2004, NI 51-102 shortened the deadline by which an issuer is required to file its annual financial statements and MD&A from 140 days to 90 days after the issuer’s financial year-end (120 days for venture issuers). Issuers are also required to send these materials to any securityholders who have requested them by the filing deadline. These new annual filing deadlines have created difficulties for issuers which normally mail their financials in a glossy annual report together with proxy material for the annual meeting. A single mailing within the new deadline would require the normal timing of the annual meeting to be advanced.

In the Staff Notice, the CSA provide a temporary resolution to this issue. The CSA have indicated that, pending a review of the matter, they will not object if an issuer sends (in a glossy annual report or otherwise) its annual financial statements and MD&A to all of its registered and beneficial securityholders (other than to those beneficial owners who have declined to receive materials and to holders of debt instruments) within 140 days of the issuer’s financial

year-end, thereby relieving the issuer of the obligation to either initiate a second mailing with the proxy material or advance the date of its annual meeting.

Despite this interpretation of the delivery requirements under 51-102, it should be noted that issuers are not relieved of the obligation to file the annual financial statements and MD&A within 90 days of financial year-end (120 days for venture issuers). Also, if an issuer wishes to send its annual statements only to securityholders who have requested them, the 90 and 120 day deadlines continue to apply.

Please contact a member of the Goodmans securities team if you would like to discuss your annual filing and mailing requirements.

#### Toronto

<b>Justin Beber</b> jbeber@goodmans.ca	416.597.4252
<b>Sheldon Freeman</b> sfreeman@goodmans.ca	416.597.6256
<b>Lawrence Chernin</b> lchernin@goodmans.ca	416.597.5903
<b>Allan Goodman</b> agoodman@goodmans.ca	416.597.4243
<b>William (Bill) Gorman</b> wgorman@goodmans.ca	416.597.4118
<b>Francesca Guolo</b> fguolo@goodmans.ca	416.597.4238
<b>Stephen Halperin</b> shalperin@goodmans.ca	416.597.4115
<b>Tim Heeney</b> theeney@goodmans.ca	416.597.4195
<b>Jonathan Lampe</b> jlampe@goodmans.ca	416.597.4128
<b>Dale Lastman</b> dlastman@goodmans.ca	416.597.4129

# Goodmans<sup>LLP</sup> Update

---

**David Matlow**

dmatlow@goodmans.ca 416.597.4147

**Neill May**

nmay@goodmans.ca 416.597.4187

**Grant McGlaughlin**

gmcgloughin@goodmans.ca 416.597.4199

**Michael Partridge**

mpartridge@goodmans.ca 416.597.5498

**Stephen Pincus**

spincus@goodmans.ca 416.597.4104

**William Rosenfeld**

wrosenfeld@goodmans.ca 416.597.4145

**Meredith Roth**

meroth@goodmans.ca 416.597.6260

**Neil Sheehy**

nsheehy@goodmans.ca 416.597.4229

**Bob Vaux**

rvaux@goodmans.ca 416.597.6265

**Kenneth Wiener**

kwiener@goodmans.ca 416.597.4106

**Vancouver****Paul Goldman**

pgoldman@goodmans.ca 604.608.4550

**Steven Robertson**

srobertson@goodmans.ca 604.608.4552

**Bruce Wright**

bwright@goodmans.ca 604.608.4551

**Hong Kong****Leo Seewald**

lseewald@goodmans.ca 852.2522.1061

All Updates are available at [www.goodmans.ca](http://www.goodmans.ca). If you would prefer to receive this client Update by e-mail, require additional copies or would like to inform us of a change of address, please e-mail: [updates@goodmans.ca](mailto:updates@goodmans.ca). This Update is intended to provide general comment only and should not be relied upon as legal advice. © Goodmans LLP, 2005.