

Goodmans^{LLP} Update

Canadian Securities Administrators Publish Proposed Access Equals Delivery Model

On April 7, 2022, the Canadian Securities Administrators (CSA) published proposed amendments to securities legislation to implement an “access equals delivery” (“**AED**”) model for certain public company filings by non-investment fund reporting issuers. The proposed amendments are open for public comment until July 6, 2022 and can be found on the [websites of CSA members](#). They are part of the CSA's initiative to reduce the regulatory burden for Canadian public companies.

Overview of the Proposed Amendments

The AED model would allow issuers to comply with statutory delivery requirements for prospectuses, annual and interim financial statements and related management's discussion & analysis (“**MD&A**”) by uploading documents to the System for Electronic Document Analysis and Retrieval (SEDAR) and issuing a news release informing investors of their availability and specifying that paper or electronic copies of the documents can be obtained upon request. The proposed amendments would not apply to materials that require immediate shareholder action, such as proxy circulars and takeover and issuer bid circulars, or to certain types of prospectuses, such as for rights offering and medium term note programs and other continuous distributions under a shelf prospectus.

The proposed amendments clarify that, under the AED model, withdrawal rights for a prospectus offering may be exercised within two business days after the later of (a) the date that access to the final prospectus or any amendment has been provided, and (b) the date that the purchaser has entered into the agreement to purchase the securities.

The AED model would not supersede existing corporate laws and regulations requiring specific delivery requirements, such as requirements of issuers under the *Canada Business Corporations Act* to send annual financial statements to registered shareholders before the issuer's annual meeting, or requirements under the *Ontario Business Corporations Act* to send annual financial statements to registered shareholders requesting them.

Potential Impact of Proposed Amendments

The CSA believes the AED model will provide a more cost-efficient, timely and environmentally friendly method of providing disclosure to investors, modernizing the way documents are delivered and reducing the regulatory burden on issuers, without compromising investor protection. The AED model would not eliminate an investor's right to request documents in paper or electronic form or prevent an issuer from delivering financial statements and related MD&A based on an investor's standing instructions.

For further information regarding the proposed amendments and how they could impact your business, please contact any member of our [Corporate Finance and Securities Group](#).

All Updates are available at www.goodmans.ca. This Update is intended as a general summary for educational purposes only and should not be relied upon as legal advice with respect to any particular set of circumstances. If you require advice as to your circumstances, please contact any member of our Corporate Finance and Securities Group.

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