



## **Regulations, Rules and Policies under the New Securities Act**

March 14, 2008

On March 17, 2008 the new [Securities Act](#) S.Y. 2007, c.16, recently enacted by the Yukon Government to replace the current out-dated Securities Act, will come into effect.

Regulations under the current Securities Act are being revoked and replaced by new regulations. These will be supplemented by rules made by the Minister under section 169 of the new Act, and an Order of the Superintendent of Securities under section 7 of the new Act.

The regulations, rules, policies and forms being adopted under the new Securities Act are outlined below.

### **Regulations**

The current regulations are being revoked as they are outdated or redundant and will largely be replaced, as appropriate, by harmonized requirements or exemptions in rules made under the new Securities Act.

Regulations under the new Act will:

- specify publication requirements for notice of rules made by the Minister under section 169;
- establish the effective date for rules made by the Minister; and
- authorize recovery of costs for investigations, hearing and reviews of market participants.

A new Fee Schedule corresponding to the provisions of the new Act has also been approved. The fees in the new Schedule do not differ appreciably from those in the current Securities Regulation, C.O. 1976/176.

The fees payable under the new Securities Act may be reviewed in future.

## Rules

Section 169 of the new Act authorizes the Minister responsible to make rules for the purposes of Yukon securities law. Proposed rules effective March 17, 2008 will:

- adopt as Yukon law all National and Multilateral Instruments, including related Policies and Forms, of the Canadian Securities Administrators (CSA). This includes Instruments already in effect in other Canadian jurisdictions, two new Instruments (Passport System and General Prospectus Requirements) coming into effect on March 17, 2008, and the policies and forms associated with the various Instruments.

Local changes to several of the Instruments and forms are required to fully implement the instruments and forms in Yukon.

- preserve registration-related provisions of the current *Securities Regulation* pending a new national registration policy (proposed National Instrument 31-103) that is expected to be implemented in 2009.

Section 7 of the new *Act* also authorizes the Superintendent of Securities to specify forms for the purposes of Yukon securities law. An order specifying the forms detailed in this rule is expected to be made, effective March 17, 2008.

- recognize discretionary exemptions granted by other Canadian jurisdictions for any related applications made before March 17, 2008. The rule will not apply retroactively to securities trade activities that may have occurred in Yukon before March 17<sup>th</sup>.
- exempt from Yukon securities laws certain contracts issued by insurance companies. This is consistent with past Yukon practice and practices in other jurisdictions, pending future CSA discussions on insurance products.
- establish the reporting obligations of persons deemed to be insiders of reporting issuers. The purpose is to increase the effectiveness of regulatory efforts against illegal insider trading on Canadian markets. CSA discussions on this issue are ongoing. This local rule correlates with the reporting requirements specified by other jurisdictions, pending future CSA discussions on related matters.

## Consequential Amendments to CSA Instruments, Forms and Policies

Like Yukon, the government of Prince Edward Island has also enacted a new Securities Act that it plans to more fully proclaim into force by March 17, 2008, with concurrent adoption of all CSA national and multilateral instruments as Ministerial rules. The government of Northwest Territories recently tabled comparable new legislation. Nunavut also expects to introduce similar legislation

in 2008. If enacted, both territories also expect to adopt the CSA instruments as rules.

Yukon officials will work with officials in these jurisdictions to coordinate the necessary consequential amendments to CSA national and multilateral instruments, policies and related forms. Until these are formally amended, references to outdated section numbers, policies or forms should be read as referring to the provisions of the new *Securities Act*, the successor policy or replacement form, as the case may be.

### **Accessing Indexes of Rules and Policies**

The Superintendent of Securities will be responsible for publishing and periodically updating the Indexes of CSA Instruments and local rules on the Government of Yukon Website at

[www.community.gov.yk.ca/corp/secureinvest.html](http://www.community.gov.yk.ca/corp/secureinvest.html)

Comments or questions may be directed to:

Fred Pretorius  
Director, Corporate Affairs

Government of Yukon  
Department of Community Services  
P.O. Box 2703  
Whitehorse, YT Y1A 2C6

(876) 667-5225  
[Fred.Pretorius@gov.yk.ca](mailto:Fred.Pretorius@gov.yk.ca)