

**UNIFORM ACT POLICY No. 2-13****ADVERTISING DURING WAITING PERIOD BETWEEN  
PRELIMINARY AND FINAL PROSPECTUSES**

Under section 64(2) of the Securities Act and the equivalent provisions in the securities legislation of other Uniform Act provinces, it is permissible during the waiting period between the issuance of the receipt for the preliminary prospectus and the receipt for the final prospectus to advertise specific matters concerning the securities proposed to be offered. Newspaper advertisements can:

- "identify" the security;
- state the price of such security, if then determined;
- state the name and address of a person or company from whom purchases of Securities may be made; and
- solicit expressions of interest in the securities.

The administrators are of the view that the "identification" of the security does not permit an issuer or dealer to include in the advertisement a summary of the commercial features of the issue. These details are set out in the preliminary prospectus which is used as the main disclosure vehicle pending the issuance of the final receipt. The purpose of the advertisements permitted by the legislation during the waiting period is essentially to alert the public to the availability of the preliminary prospectus.

For the purpose of identifying a security, the administrators consider that the advertisement may only:

- indicate whether a security represents debt or a share in a company or an interest in a non-corporate entity (e.g. a unit of undivided ownership in a film property) or a partnership interest;
- name the issuer if the issuer is a reporting issuer; or
- name and describe briefly the business of the issuer if the issuer is not already a reporting issuer. The description of the business should be cast in general terms and should not attempt to summarize the proposed use of proceeds;
- indicate, without giving details, whether the security qualifies the holder for special tax treatment; and;
- indicate how many securities will be made available.

Every advertisement should include in bold face type as large as that used in the of the text words to the effect of the following legend:

A preliminary prospectus relating to these securities has been filed with securities commissions or similar authorities in certain provinces of Canada but has not yet become final for the purpose of a distribution to the public. This advertisement shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale or any acceptance of an offer to buy these securities in any province of Canada prior to the time a receipt for the final prospectus or other authorization is obtained from the securities commission or similar authority in such province.