

Note: [31 Oct 2016] – Amendments to ASC Rule 45-517 arising from MI 45-108. Refer to Annex H of the ASC Notice announcing MI 45-108 dated 31 Oct 2016.

**AMENDMENTS TO
ALBERTA SECURITIES COMMISSION RULE 45-517 PROSPECTUS EXEMPTION
FOR START-UP BUSINESSES**

- 1. *Alberta Securities Commission Rule 45-517 Prospectus Exemption for Start-up Businesses is amended by this Instrument.***
- 2. *Section 2 is amended by adding the following definition:***

“restricted dealer funding portal” means a person or company that

 - (a) is registered in the category of restricted dealer under National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*,
 - (b) is authorized under the terms and conditions of its restricted dealer registration to distribute securities under this Rule,
 - (c) acts or proposes to act as an intermediary in a distribution of eligible securities through an online platform under this Rule,
 - (d) is not registered in any other registration category,
 - (e) is not an affiliate of another registered dealer, registered adviser, or registered investment fund manager, and
 - (f) in connection with a distribution under this Rule, complies with section 12.1;.
- 3. *In the following provisions “registered” is deleted before “dealer”:***
 - (a) paragraph 3(1)(e); and*
 - (b) paragraph 3(1)(f).*
- 4. *Paragraph 3(1)(k) is replaced with the following:***
 - (k) any person or company acting or proposing to act as an intermediary in connection with the start-up business distribution of securities through an online platform to an Alberta purchaser is a registered dealer or a restricted dealer funding portal..

5. ***In the following provisions “registered” is deleted before “dealer”:***

(a) section 11, in the provision and in the heading;

(b) section 12; and

(c) section 16.

6. ***The following section is added after section 12:***

12.1 (1) A restricted dealer funding portal that participates in a distribution under section 3 must comply with subsections 21(b), 21(c) and 21(d) and Division 3: *Additional requirements, restricted dealer funding portal* of Multilateral Instrument 45-108 *Crowdfunding* as if it were conducting a distribution under that instrument.

(2) In applying subsection (1), references to “crowdfunding prospectus exemption” in Multilateral Instrument 45-108 *Crowdfunding* mean the exemption from the prospectus requirement in section 3 of this Rule..

7. This Instrument comes into force on October 31, 2016.