

NATIONAL POLICY No. 32
PROSPECTUS WARNING RE: SCOPE OF DISTRIBUTION

Background

The Canadian Securities Administrators at their meeting on October 30, 1980, concluded that it would be useful to adopt the widespread practice of noting through a legend at the top of preliminary and final prospectuses through which it is intended to effect distributions in more than one jurisdiction that those securities may lawfully only be sold in those jurisdictions in which a prospectus has been accepted for filing. In addition, it was thought that the warning should also note that the securities could only be distributed in that jurisdiction by persons registered in the jurisdiction.

Policy

Where it is proposed to distribute securities through a prospectus in more than one Canadian jurisdiction the following legend shall appear at the top of the front page of the preliminary prospectus and prospectus:

"This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities."