

Note: [20 May 2021] – Proposed changes to 54-101CP arising from NI 51-102. Refer to Annex F of the CSA Notice announcing proposed amendments to NI 51-102 dated 20 May 2021.

**PROPOSED CHANGES TO
COMPANION POLICY 54-101CP TO NATIONAL INSTRUMENT 54-101
COMMUNICATION WITH BENEFICIAL OWNERS OF SECURITIES OF A REPORTING
ISSUER**

1. ***Companion Policy 54-101CP to National Instrument 54-101 Communication with Beneficial Owners of Securities of a Reporting Issuer is changed by this Document.***
2. ***Section 4.1 is replaced with the following:***

4.1 Client Response Form

- (1) By completing a client response form as provided in Part 3 of the Instrument, a beneficial owner gives notice of its choices concerning the receipt of materials and the disclosure of ownership information concerning it. Pursuant to section 3.4 of the Instrument, a beneficial owner may, by notice to the intermediary through which it holds, change any prior instructions given in a client response form. Proximate intermediaries should alert their clients to the costs and other consequences of the options in the client response form.
- (2) Section 3A.6 of National Instrument 51-102 *Continuous Disclosure Obligations* requires reporting issuers to send annually a request form to the registered holders and beneficial owners of its securities who are identified under NI 54-101 as having chosen to receive all securityholder materials sent to beneficial owners of securities. The beneficial owners may use the request form to request a copy of the reporting issuer's annual disclosure statement or annual financial statements and related MD&A, interim disclosure statements or interim financial reports and related MD&A, and annual financial statements or interim financial reports filed under section 4.7 and subsection 4.10(2) of National Instrument 51-102 *Continuous Disclosure Obligations*. Failing to return the request form or otherwise specifically request a copy of the annual disclosure statement or annual financial statements and related MD&A, interim disclosure statement or interim financial reports and related MD&A, or annual financial statements or interim financial reports filed under section 4.7 and subsection 4.10(2) from the reporting issuer will override the beneficial owner's standing instructions under this Instrument in respect of the financial statements.
- (3) Financial statements received by beneficial owners in accordance with the owner's standing instructions under this Instrument may be included in an annual disclosure statement or annual report..

3. *Section 5.4 is changed*

(a) *in subsection (2) by replacing "annual financial statements and annual MD&A" wherever it occurs with "annual financial statements and annual MD&A, which, for that purpose, may be included in an annual disclosure statement or annual report", and*

(b) *in subsection (10)*

(i) *in the second bullet by replacing "annual financial statements and annual MD&A" with "annual financial statements and annual MD&A, which, for that purpose, may be included in an annual disclosure statement or annual report,"*

(ii) *by replacing the text of the third bullet with the following:*

Section 3A.6 of National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102") establishes an annual request form mechanism for registered holders and beneficial owners to request copies of a reporting issuer's annual disclosure statement or annual financial statements and annual MD&A for the following year. A request for these documents can also contain a request that the notice package for the registered holder or beneficial owner contain a paper copy of the information circular., *and*

(iii) *by replacing the fourth bullet with the following:*

Notice-and-access also can be used to send annual financial statements and annual MD&A, which, for that purpose, may be included in an annual disclosure statement or annual report, pursuant to subsection 3A.6(6) of NI 51-102. Notice-and-access is consistent with the principles for electronic delivery set out in National Policy 11-201 *Electronic Delivery of Documents* ("NP 11- 201")..

4. *Section 7.2 is replaced with the following*

7.2 Delay of annual disclosure statement, audited annual financial statements or annual report — Section 9.1 of the Instrument recognizes that corporate law or securities legislation may permit a reporting issuer to send its audited annual financial statements, which may be included in an annual disclosure statement or annual report, to registered holders of its securities later than other proxy-related materials. The Instrument provides that the time periods applicable to sending proxy-related materials prescribed in the Instrument do not apply to the sending of proxy-related materials that are annual financial statements, an annual disclosure statement or an annual report if any of these materials are sent by the reporting issuer to beneficial owners of the securities within the time limitations established in applicable corporate law and securities legislation for the sending of the

statements or report to registered holders of the securities. Reporting issuers are nonetheless encouraged to send their annual disclosure statement, annual financial statements or an annual report at the same time as other proxy-related materials..

5. These changes become effective on **[December 15, 2023]**.