

CANADIAN SECURITIES ADMINISTRATORS

NOTICE 11-304

**RESPONSES TO COMMENTS RECEIVED ON CONCEPT PROPOSAL
*BLUEPRINT FOR UNIFORM SECURITIES LAWS FOR CANADA***

On January 30, 2003, the Canadian Securities Administrators (CSA) published a concept proposal entitled *Blueprint for Uniform Securities Laws for Canada* (the Concept Proposal). The comment period expired on April 30, 2003. There was a significant response to the Concept Proposal with 89 comment letters received. The list of commenters is attached as Appendix A to this Notice.

The USL project to develop uniform securities legislation for consideration by each of the provincial and territorial governments of Canada complements the Ministers' initiative to implement a passport system or one-stop shopping for issuers and registrants.

The CSA thank the commenters and appreciate their time and effort in responding to the Concept Proposal. The comments were thoughtful, thorough and will be very useful in assisting the USL Steering Committee in drafting uniform legislation. Appendix B to this Notice provides a detailed summary of all comments received together with the CSA responses. The full text of all the comment letters can be viewed on the Alberta Securities Commission web site at <http://www.albertasecurities.com/policies/comment.html>.

The vast majority of the commenters are supportive of the USL initiative. There is general support for:

- passport or one-stop shopping for issuers and registrants;
- uniform securities legislation for registration, prospectuses and exemptions; and
- delegation of decision making powers from one securities regulatory authority to another.

Some commenters qualify their support. The two most frequently occurring qualifications of support are:

- the objective of the USL should be both achieving and maintaining uniform securities laws, with many commenters questioning whether it is possible to achieve these objectives within the existing framework of securities regulation in Canada; and

- the USL's scope does not put enough emphasis on simplification and streamlining of regulatory requirements.

The CSA are very much concerned with both achieving and maintaining uniformity. In this regard, the CSA plan to enter into protocols to ensure that regulators co-ordinate changes to securities law. We also intend to propose to our governments that they consider adopting an inter-governmental protocol to co-ordinate securities legislation.

Although the primary objective of the USL project is to develop uniform securities legislation, simplification and streamlining are complementary objectives of the project. Uniform registration requirements, a streamlined national registration system, and consolidation of overlapping and differing registration and prospectus exemptions into a uniform exemptions rule are significant examples of simplification and streamlining.

The CSA believe that the USL project is an important step in the process of regulatory reform, regardless of the ultimate solution that may be adopted for our capital markets.

NEXT STEPS

The USL Steering Committee is currently overseeing the drafting of a Uniform Securities Act (USA) and a Model Securities Administration Act (MAA). Work is underway on both draft statutes, and the contributions of the commenters are being considered continually during this process. We expect to publish consultation drafts of the USA and MAA in Fall 2003 for comment.

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