



REQUEST FOR COMMENTS

Notice and Request for Comment – Publishing for comments proposed amendments to the English version of National Instrument 52-108 *Auditor Oversight*.

Introduction

On 18 February 2013, the New Brunswick Securities Commission (the Commission) approved publication in order to obtain comments on the proposed amendments.

The Amendment Instrument reflecting the proposed change to the above-noted rule can be viewed following the Notice.

Substance and Purpose of the Proposed Amendments

The proposed amendment is intended to harmonize the above-noted rule with the Canadian Securities Administrators version of such rule.

How to Provide your Comments and Obtain a Copy

The Commission welcomes your comments on the proposed Amendment Instrument.

A paper copy of the relevant materials may be obtained by writing, telephoning or e-mailing the Commission. Comments are to be provided, in writing, by no later than **22 April 2013** to:

Secretary
New Brunswick Securities Commission
85 Charlotte Street, Suite 300
Saint John, N.B. E2L 2J2
Telephone: 506-658-3060
Toll Free: 866-933-2222 (within NB only)
Fax: 506-658-3059
E-mail: information@nbsc-cvmnb.ca

A summary of the written comments received during the comment period may be published.

Questions

If you have any questions, please refer them to:

Manon Losier

General Counsel and Secretary to the Commission
New Brunswick Securities Commission
Tel: 506-643-7690
Email: manon.losier@nbsc-cvmnb.ca

Amendments to

**National Instrument 52-108
AUDITOR OVERSIGHT**

- 1 National Instrument 52-108 Auditor Oversight is amended by this Instrument.**
- 2 The instrument is amended by adding the following section:**

3.4 Notice of Restrictions and Sanctions Prior to Appointment

- (1) Prior to accepting an appointment to prepare an auditor's report with respect to the financial statements of a reporting issuer, a participating audit firm must provide notice in accordance with
 - (a) subsections 3.2(1) and 3.2(2), if the CPAB informed the participating audit firm within the 12-month period immediately preceding the expected date of appointment that it failed to address defects in its quality control systems to the satisfaction of the CPAB, and
 - (b) subsections 3.3(1) and 3.3(2), if the CPAB imposed sanctions on the participating audit firm within the 12-month period immediately preceding the expected date of appointment.
- (2) For the purposes of subsection (1), the references to "is appointed" contained in subsections 3.2(1) and 3.3(1) shall mean "is expected to be appointed".
- (3) A participating audit firm is not required to provide notice under subsection (1) if, pursuant to a notice provided under sections 3.2 or 3.3, the reporting issuer and regulator have been provided notice of the participating audit firm's failure to address the defects in its quality control systems to the satisfaction of the CPAB and of the sanctions imposed by the CPAB.

- 3 This instrument comes into force on XXXX 2013.**