

M.O., 2016-08**Order number V-1.1-2016-08 of the Minister of Finance dated 21 April 2016**

Securities Act
(chapter V-1.1)

CONCERNING concordant regulations to Regulation to amend Regulation 62-104 respecting Take-Over Bids and Issuer Bid

WHEREAS subparagraphs 1, 3, 11, 20, 24 and 34 of section 331.1 of the Securities Act (chapter V-1.1) provide that the *Autorité des marchés financiers* may make regulations concerning the matters referred to in those paragraphs;

WHEREAS the third and fourth paragraphs of section 331.2 of the said Act provide that a draft regulation shall be published in the *Bulletin de l'Autorité des marchés financiers*, accompanied with the notice required under section 10 of the Regulations Act (chapter R-18.1) and may not be submitted for approval or be made before 30 days have elapsed since its publication;

WHEREAS the first and fifth paragraphs of the said section provide that every regulation made under section 331.1 must be approved, with or without amendment, by the Minister of Finance and comes into force on the date of its publication in the *Gazette officielle du Québec* or on any later date specified in the regulation;

WHEREAS the following regulations have been approved by the minister of Finance :

— Regulation 11-102 respecting Passport System approved by ministerial order no. 2008-04 dated March 4, 2008 (2008, *G.O.* 2, 787);

— Regulation 43-101 respecting Standards of Disclosure for Mineral Projects approved by ministerial order no. 2005-23 dated November 30, 2005 (2005, *G.O.* 2, 5169);

— Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions approved by ministerial order no. 2008-01 dated January 22, 2008 (2008, *G.O.* 2, 533);

WHEREAS there is cause to amend those regulations;

WHEREAS the following draft regulations were published in the *Bulletin de l'Autorité des marchés financiers*, volume 12, no. 13 of April 2, 2015 :

— Regulation to amend Regulation 11-102 respecting Passport System;

— Regulation to amend Regulation 43-101 respecting Standards of Disclosure for Mineral Projects;

— Regulation to amend Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions;

WHEREAS those draft regulations were made by the *Autorité des marchés financiers* by decision no. 2016-PDG-0052 dated March 30, 2016;

WHEREAS there is cause to approve those regulations without amendment;

WHEREAS, the Minister of Finance approves without amendment the following regulations appended hereto :

— Regulation to amend Regulation 11-102 respecting Passport System;

— Regulation to amend Regulation 43-101 respecting Standards of Disclosure for Mineral Projects;

— Regulation to amend Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions.

12 April, 2016

CARLOS LEITÃO,
Minister of Finance

REGULATION TO AMEND REGULATION 11-102 RESPECTING PASSPORT SYSTEM

Securities Act
(chapter V-1.1, s. 331.1, par. (1))

1. Regulation 11-102 respecting Passport System (chapter V-1.1, r. 1) is amended by replacing, in Appendix D, the following:

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Take-over bids and issuer bid requirements (TOB/IB) – Restrictions on acquisitions during take-over bid	s.2.2(1) of Regulation 62-104	s.93.1(1)
TOB/IB – Restrictions on acquisitions during issuer bid	s.2.3(1) of Regulation 62-104	s.93.1(4)
TOB/IB – Restrictions on acquisitions before take-over bid	s.2.4(1) of Regulation 62-104	s.93.2(1)
TOB/IB – Restrictions on acquisitions after bid	s.2.5 of Regulation 62-104	s.93.3(1)
TOB/IB – Restrictions on sales during formal bid	s.2.7(1) of Regulation 62-104	s.97.3(1)
TOB/IB – Duty to make bid to all security holders	s.2.8 of Regulation 62-104	s.94
TOB/IB – Commencement of bid	s.2.9 of Regulation 62-104	s.94.1(1) and (2)
TOB/IB – Offeror’s circular	s.2.10 of Regulation 62-104	s.94.2(1) - (4) of <i>Securities Act</i> and s.3.1 of OSC Rule 62-504
TOB/IB – Change in information	s.2.11(1) of Regulation 62-104	s.94.3(1)

TOB/IB – Notice of change	s.2.11(4) of Regulation 62-104	s.94.3(4) of <i>Securities Act</i> and s.3.4 of OSC Rule 62-504
TOB/IB – Variation of terms	s.2.12(1) of Regulation 62-104	s.94.4(1)
TOB/IB – Notice of variation	s.2.12(2) of Regulation 62-104	s.94.4(2) of <i>Securities Act</i> and s.3.4 of OSC Rule 62-504
TOB/IB – Expiry date of bid if notice of variation	s.2.12(3) of Regulation 62-104	s.94.4(3)
TOB/IB – No variation after expiry	s.2.12(5) of Regulation 62-104	s.94.4(5)
TOB/IB – Filing and sending notice of change or notice of variation	s.2.13 of Regulation 62-104	s.94.5
TOB/IB – Change or variation in advertised take-over bid	s.2.14(1) of Regulation 62-104	s.94.6(1)
TOB/IB – Consent of expert – bid circular	s.2.15(2) of Regulation 62-104	s.94.7(1)
TOB/IB – Delivery and date of bid documents	s.2.16(1) of Regulation 62-104	s.94.8(1)
TOB/IB – Duty to prepare and send directors' circular	s.2.17 of Regulation 62-104	s.95(1)–(4) of <i>Securities Act</i> and s.3.2 of OSC Rule 62-504
TOB/IB – Notice of change	s.2.18 of Regulation 62-104	s.95.1(1) and (2) of <i>Securities Act</i> and s.3.4 of OSC Rule 62-504

TOB/IB – Filing directors' circular or notice of change	s.2.19 of Regulation 62-104	s.95.2
TOB/IB – Change in information in director's or officer's circular or notice of change	s.2.20(2) of Regulation 62-104	s.96(2)
TOB/IB – Form of director's or officer's circular	s.2.20(3) of Regulation 62-104	s.96(3) of <i>Securities Act</i> and s.3.3 of OSC Rule 62-504
TOB/IB – Send director's or officer's circular or notice of change to securityholders	s.2.20(5) of Regulation 62-104	s.96(5)
TOB/IB – File and send to offeror director's or officer's circular or notice of change	s.2.20(6) of Regulation 62-104	s.96(6)
TOB/IB – Form of notice of change for director's or officer's circular	s.2.20(7) of Regulation 62-104	s.96(7) of <i>Securities Act</i> and s.3.4 of OSC Rule 62-504
TOB/IB – Consent of expert, directors' circular, etc.	s.2.21 of Regulation 62-104	s.96.1
TOB/IB – Delivery and date of offeree issuer's documents	s.2.22(1) of Regulation 62-104	s.96.2(1)
TOB/IB – Consideration	s.2.23(1) of Regulation 62-104	s.97(1)
TOB/IB – Variation of consideration	s.2.23(3) of Regulation 62-104	s.97(3)

TOB/IB – Prohibition against collateral agreements	s.2.24 of Regulation 62-104	s.97.1(1)
TOB/IB – Proportionate take up and payment	s.2.26(1) of Regulation 62-104	s.97.2(1)
TOB/IB – Financing arrangements	s.2.27(1) of Regulation 62-104	s.97.3(1)
TOB/IB – Minimum deposit period	s.2.28 of Regulation 62-104	s.98(1)
TOB/IB – Prohibition on take up	s.2.29 of Regulation 62-104	s.98(2)
TOB/IB – Obligation to take up and pay for deposited securities	s.2.32 of Regulation 62-104	s.98.3
TOB/IB – Return of deposited securities	s.2.33 of Regulation 62-104	s.98.5
TOB/IB – News release on expiry of bid	s.2.34 of Regulation 62-104	s.98.6
TOB/IB – Language of bid documents	s.3.1 of Regulation 62-104	n/a
TOB/IB – Filing of documents by offeror	s.3.2(1) of Regulation 62-104	s.98.7 of <i>Securities Act</i> and s.5.1(1) of OSC Rule 62-504
TOB/IB – Filing of documents by offeree issuer	s.3.2(2) of Regulation 62-104	s.5.1(2) of OSC Rule 62-504
TOB/IB – Time period for filing	s.3.2(3) of Regulation 62-104	s.5.1(3) of OSC Rule 62-504
TOB/IB – Filing of subsequent agreement	s.3.2(4) of Regulation 62-104	s.5.1(4) of OSC Rule 62-504
TOB/IB – Certification of bid circulars	s.3.3(1) of Regulation 62-104	s.99(1)

TOB/IB – All directors and officers sign	s.3.3(2) of Regulation 62-104	s.99(2)
TOB/IB – Certification of directors' circular	s.3.3(3) of Regulation 62-104	s.99(3)
TOB/IB – Certification of individual director's or officer's circular	s.3.3(4) of Regulation 62-104	s.99(4)
TOB/IB – Obligation to provide security holder list	s.3.4(1) of Regulation 62-104	s.99.1(1)
TOB/IB – Application of <i>Canada Business Corporations Act</i>	s.3.4(2) of Regulation 62-104	s.99.1(2)
TOB/IB – Early Warning	s.5.2 of Regulation 62-104	s.102.1(1) – (4) of <i>Securities Act</i> and s.7.1 of OSC Rule 62-504
TOB/IB – Acquisitions during bid	s.5.3 of Regulation 62-104	s.102.2(1) and (2) of <i>Securities Act</i> and s.7.2(1) of OSC Rule 62-504
TOB/IB – Copies of news release and report	s.5.5 of Regulation 62-104	s.7.2(3) of OSC Rule 62-504

with the following:

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Take-over bid and issuer bid requirements	Regulation 62-104
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2. The Regulation is amended by deleting, in Appendix E and under the title “Ontario”, “Rule 62-504 Take-Over Bids and Issuer Bids ((2007), 31 OSCB 1289).”, with the necessary changes.

3. Except in Ontario, this Regulation comes into force on May 9, 2016. In Ontario, this Regulation comes into force on the later of the following:

(1) May 9, 2016;

(2) the day on which sections 1, 2 and 3, subsections (2) and (3) of section 4, and sections 5, 7, 8 and 10 of Schedule 18 of the Budget Measures Act, 2015 are proclaimed into force.

REGULATION TO AMEND REGULATION 43-101 RESPECTING STANDARDS OF DISCLOSURE FOR MINERAL PROJECTS

Securities Act

(chapter V-1.1, s. 331.1, par. (3), (20) and (34))

1. Section 1.1 of Regulation 43-101 respecting Standards of Disclosure for Mineral Projects (chapter V-1.1, r.15) is amended by inserting, after the definition of the expression “historical estimate”, the following:

““initial deposit period” has the meaning ascribed to that term in section 1.1 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids (chapter V-1.1, r. 35);”.

2. Section 4.2 of the Regulation is amended by replacing, in subparagraph (ii) of subparagraph (a) of paragraph (5), the words “expiry of the take-over bid” with the words “the expiry of the initial deposit period”.

3. Except in Ontario, this Regulation comes into force on May 9, 2016. In Ontario, this Regulation comes into force on the later of the following:

(1) May 9, 2016;

(2) the day on which sections 1, 2 and 3, subsections (2) and (3) of section 4, and sections 5, 7, 8 and 10 of Schedule 18 of the Budget Measures Act, 2015 are proclaimed into force.

REGULATION TO AMEND REGULATION 61-101 RESPECTING PROTECTION OF MINORITY SECURITY HOLDERS IN SPECIAL TRANSACTIONS

Securities Act

(chapter V-1.1, s. 331.1, par. (11), (24) and (34))

1. Section 1.1 of Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions (chapter V-1.1, r. 33) is amended:

(1) by deleting, in the definition of the expression “bid”, “, and in Ontario, a formal take-over bid or formal issuer bid as defined in section 89(1) of the Securities Act (R.S.O., 1990, c. S.5)”;

(2) by deleting, in the definition of the expression “issuer bid”, “, and in Ontario, section 89(1) of the Securities Act”;

(3) by deleting, in the definition of the expression “joint actors”, “and in Ontario, section 91 of the Securities Act.”;

(4) in the definition of the expression “market capitalization”:

(a) by deleting, in subparagraph (ii) of paragraph (a), “and in Ontario, subsections 1.3 (1), (2) and (3) of Ontario Securities Commission Rule 62-504 Take-Over Bids and Issuer Bids.”;

(b) by deleting, in subparagraph (ii) of paragraph (b), “and in Ontario, subsections 1.3 (1), (2) and (3) of Rule 62-504 Take-Over Bids and Issuer Bids.”;

(5) by deleting, in the definition of the expression “offeree issuer”, “, and in Ontario, section 89(1) of the Securities Act”;

(6) by deleting, in the definition of the expression “offeror”, “, and in Ontario, section 89(1) of the Securities Act”;

(7) by deleting, in the definition of the expression “take-over bid”, “, and in Ontario, section 89(1) of the Securities Act”.

2. Section 1.6 of the Regulation is amended by replacing paragraph (2) with the following:

“(2) For the purposes of the definitions of collateral benefit, control person, downstream transaction and related party, in determining beneficial ownership, the provisions of section 1.8 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids (chapter V-1.1, r. 35) apply.”.

3. Section 2.2 of the Regulation is amended by deleting, in subparagraph (d) of paragraph (1), “and in Ontario, Form 62-504F2 Issuer Bid Circular of Rule 62-504 Take-Over Bids and Issuer Bids.”.

4. Section 4.2 of the Regulation is amended by deleting, in subparagraph (a) of paragraph (3), “and in Ontario, Form 62-504F2 Issuer Bid Circular of Rule 62-504 Take-Over Bids and Issuer Bids,”.

5. Section 5.3 of the Regulation is amended by deleting, in subparagraph (a) of paragraph (3), “and in Ontario, Form 62-504F2 Issuer Bid Circular of Rule 62-504 Take-Over Bids and Issuer Bids,”.

6. Section 6.10 of the Regulation is amended by deleting “and in Ontario, sections 94.7 and 96.1 of the Securities Act (R.S.P. 1990, c. S.5),”.

7. Except in Ontario, this Regulation comes into force on May 9, 2016. In Ontario, this Regulation comes into force on the later of the following:

(1) May 9, 2016;

(2) the day on which sections 1, 2 and 3, subsections (2) and (3) of section 4, and sections 5, 7, 8 and 10 of Schedule 18 of the Budget Measures Act, 2015 are proclaimed into force.