

Regulation to repeal Regulation 55-103 respecting insider reporting for certain derivative transactions (equity monetization)*

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (1), (2), (3), (11), (20.1) and (34))

1. Regulation 55-103 respecting Insider Reporting for Certain Derivative Transactions (Equity Monetization) is repealed.

2. This Regulation comes into force on April 30, 2010.

Regulation to amend Regulation 62-103 respecting the early warning system and related take-over bid and insider reporting issues*

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (1), (8), (11), (21), (22) and (34))

1. Paragraph (1) of section 1.1 of Regulation 62-103 respecting The Early Warning System and Related Take-Over Bid and Insider Reporting Issues is amended:

(1) by adding the following definition after the definition of “private mutual fund”:

““related financial instrument” has the meaning ascribed to that term in Regulation 55-104 respecting insider Reporting Requirements and Exemptions approved by Ministerial Order no. 2010-07 dated April 7, 2010;”;

(2) by adding the following definition after the definition of “securityholding percentage”:

““significant change in a related financial instrument position” means, in relation to an entity and a related financial instrument that involves, directly or indirectly,

* Regulation 55-103 respecting Insider Reporting for Certain Derivative Transactions (Equity Monetization), approved by Ministerial Order No. 2005-27 dated November 30, 2005 (*G.O.* 2, 5239), has not been amended since its approval.

* Regulation 62-103 respecting the Early Warning System and Related Take-over Bid and Insider Reporting Issues, adopted on March 18, 2003 pursuant to decision No. 2003-C-0109 and published in the Supplement to the Bulletin of the Commission des valeurs mobilières du Québec, volume 34, No. 19, dated May 16, 2003, was amended by the regulations to amend this regulation approved by Ministerial Orders No. 2005-04 dated May 19, 2005 (2005, *G.O.* 2, 1496), No. 2005-22 dated August 17, 2005 (2005, *G.O.* 2, 3643) and No. 2008-03 dated January 22, 2008 (2008, *G.O.* 2, 561).

a security of a reporting issuer, any change in the entity’s interest in, or rights or obligations associated with, the related financial instrument if the change has a similar economic effect to an increase or decrease in the entity’s securityholding percentage in a class of voting or equity securities of the reporting issuer by 2.5 percent or more;”.

2. Section 9.1 of the Regulation is amended:

(1) in paragraph (1):

(a) by replacing, in the opening sentence, “(3) and (4),” with “(3), (3.1) and (4),”;

(b) by replacing, in subparagraph (a) of the French text, the words “pourcentage actuel de participation” with the words “pourcentage de participation actuel”;

(c) by adding the following subparagraph after subparagraph (a):

““(a.1) the report referred to in paragraph (a) discloses, in addition to any other required disclosure,

(i) the eligible institutional investor’s interest in any related financial instrument involving a security of the reporting issuer that is not otherwise reflected in the current securityholding percentage of the eligible institutional investor; and

(ii) the material terms of the related financial instrument;”;

(2) by adding the following subsection after paragraph (3):

“(3.1) Despite subsection (1), an eligible institutional investor that is filing reports under the early warning requirements or Part 4 for a reporting issuer may rely upon the exemption contained in subsection (1) only if the eligible institutional investor treats a significant change in a related financial instrument position as a change in a material fact for the purposes of securities legislation pertaining to the early warning requirements or section 4.6 of this Regulation.”.

3. Appendix A of the Regulation is amended:

(1) by replacing “Clause 1(b.1)(iii) of the *Securities Act* (Prince Edward Island)” with “Subclause (iii) of the definition of “distribution” contained in clause 1(k) of the *Securities Act* (Prince Edward Island)”;

(2) by adding the following after “(Newfoundland)”:

“NORTHWEST TERRITORIES Paragraph (c) of the definition of “distribution” contained in subsection 1(1) of the *Securities Act* (Northwest Territories)”;

(3) by adding the following after “(Saskatchewan)”:

“YUKON TERRITORY	Paragraph (c) of the definition of “distribution” contained in subsection 1(1) of the <i>Securities Act</i> (Yukon Territory)”.
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4. Appendix D of the Regulation is amended:

(1) opposite the words “PRINCE EDWARD ISLAND”, by replacing “Sections 1.8 and 1.9 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids” and substituting “Section 11 of the Securities Act (Prince Edward Island) and sections 1.8 and 1.9 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids”;

(2) opposite the words “NORTHWEST TERRITORIES”, by replacing “Sections 1.8 and 1.9 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids” with “Section 11 of the Securities Act (Northwest Territories) and sections 1.8 and 1.9 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids”;

(3) opposite the words “YUKON TERRITORY”, by replacing “Sections 1.8 and 1.9 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids” with “Section 11 of the Securities Act (Yukon Territory) and sections 1.8 and 1.9 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids”.

5. This Regulation comes into force on April 30, 2010.

Regulation to amend the Securities Regulation*

Securities Act
(R.S.Q., c. V-1.1, s. 331.1, pars. (1), (2), (8),
(11) and (20.1))

1. Sections 171 to 174 of the Securities Regulation are repealed.

2. This Regulation comes into force on April 30, 2010.

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* The Securities Regulation, enacted by Order-in-Council No. 660-83 dated March 30, 1983 (1983, *G.O.* 2, 1269), was last amended by the Regulation approved by Ministerial Order No. 2009-05 dated September 9, 2009 (2009, *G.O.* 2, 3362A). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Éditeur officiel du Québec, 2009, updated to November 1, 2009.