

Notice

Policy Statement 62-203 respecting Take-Over Bids and Issuer Bids

Introduction

We, the Canadian Securities Administrators, have developed *Regulation 62-104 respecting Take-Over Bids and Issuer Bids* (Regulation 62-104), including the Forms, to harmonize and consolidate take-over bid and issuer bid regimes nationally. In Ontario, the government is seeking to achieve the same harmonization and modernization effect through proposed amendments to Part XX - Take-Over Bids and Issuer Bids of the *Securities Act* (Ontario) (Part XX) and by adoption of Ontario Securities Commission Rule 62-504 *Take-Over Bids and Issuer Bids* (Rule 62-504).

Policy Statement 62-203 respecting Take-Over Bids and Issuer Bids (the Policy Statement) contains explanations and discussions of Regulation 62-104, Part XX, and Rule 62-504 (together, the Bid Regime). We expect the Policy Statement will be adopted in all jurisdictions.

Provided all necessary ministerial approvals are obtained, the Bid Regime and the Policy Statement will come into effect on February 1, 2008. Concurrent with the adoption of the Policy Statement, we intend to withdraw *Notice 62-201 relating to Bids Made Only in Certain Jurisdictions* and CSA Staff Notice 62-303, *Identifying the Offeror in a Take-over Bid*, the substance of which will largely be found in the Policy Statement.

Substance and Purpose

The Policy Statement outlines how the provincial and territorial securities regulatory authorities interpret or apply certain provisions of the Bid Regime and provides guidance on the conduct of parties involved in a bid.

Summary of the Policy Statement

The Policy Statement provides guidance concerning:

- (i) varying terms after a bid has been commenced,
- (ii) interpretation of the prohibition against collateral agreements,
- (iii) independent committees for the purposes of the collateral agreement exceptions,
- (iv) independent committee's determination of equivalent value, and
- (v) redacting or omitting filed information.

We have removed the guidance on "determination of shareholdings" previously provided in the draft Policy Statement to *Regulation 62-104 respecting Take-Over Bids and Issuer Bids* published for comment on April 28, 2006 because we are of the view that it is up to the bidder to determine whether it has taken all necessary steps to determine whether its bid falls within the relevant exemption.

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Questions

Please refer your questions to any of:

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