

Sworn (or solemnly affirmed) before me
at _____
on _____

Commissioner for oaths

7407

Draft Regulation

Securities Act
(R.S.Q., c. V-1.1)

Securities — Amendments

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1) and with section 335 of the Securities Act (R.S.Q., c. V-1.1), that the Regulation to amend the Regulation respecting securities, the text of which appears below, may be made by the Government, with or without amendment, upon the expiry of 45 days following this publication.

Any interested person having comments to make is asked to send them in writing, before the expiry of the 45-day period, to Mrs. Louise Robic, Minister for Finance, 12, rue Saint-Louis, 1^{er} étage, Québec (Québec), G1R 5L3, with a copy to the Commission des valeurs mobilières du Québec, C.P. 246, Tour de la Bourse, Montréal, H4Z 1G3.

LOUISE ROBIC,
Minister for Finance

Regulation amending the Regulation respecting securities

Securities Act
(R.S.Q., c. V-1.1, s. 331 (3) and (27))

1. The Regulation respecting securities, adopted by Order in Council 660-83 of March 30, 1983 and amended by the Regulations adopted pursuant to Orders in Council 1758-84 of August 8, 1984, 1263-85 of June 26, 1985, 697-87 of May 6, 1987, 977-88 of June 22, 1988, 1493-89 of September 13, 1989, 1622-90 of November 21, 1990, 680-92 of May 6, 1992, 980-92 of June 30, 1992, 1145-92 of August 5, 1992 and 226-93 of February 24, 1993 is again amended by the insertion, after section 189.1, of the following:

“189.1.1 An offeror who makes a take-over bid or an issuer bid shall file, with the Commission, when filing the offer and the take-over bid circular or issuer bid circular, a report containing the information prescribed by section 189.1.3.

189.1.2 A person who makes a bid in reliance on an exemption from take-over bid and issuer bid rules set out in sections 119, 120, 121, 123 or 126 of the Act in the case of a take-over bid or an issuer bid or in section 147.21(2) of the Act in the case of an issuer bid, or in reliance on an exemption granted by the Commission under section 263 of the Act shall file with the Commission, within ten days after making the bid, a report containing the information prescribed by section 189.1.3.

189.1.3 The report prescribed by section 189.1.1 or 189.1.2 contains the following information:

- (1) the name and address of the offeree company;
- (2) the name and address of the offeror;
- (3) the designation of the securities that are subject to the bid;
- (4) the date of the bid;
- (5) the maximum number of securities of the class subject to the bid which are sought by the offeror;
- (6) the value, in Canadian dollars, of the consideration offered per security;
- (7) the number of securities of each class subject to the bid, excluding the offeror's securities, that are held by security holders whose last address as shown on the books of the offeree issuer or of dealers acting as nominees is in Québec;
- (8) the fee payable in respect of the bid, as calculated under section 271.4(1).”

2. Section 267 of this regulation is amended:

(1) by inserting, in subsection (1), after the figure “1 000 \$”, of “or, in the case of a money market mutual fund, 2 000 \$”;

(2) by inserting, at the end of subsection (5), of “and a payment corresponding to the surplus over 500 \$ of the following amounts:

(a) where the distribution takes place only in Québec, 0.02 % of the gross value of the issue;

(b) where the distribution takes place in Québec and elsewhere, 0.02 % of 25 % of the gross value of the issue;”.

3. Section 271.2 of this regulation is amended by replacing, in subsection (8), the figure “300 \$” by “500 \$”.

4. Section 271.4 of this regulation is amended:

(1) by adding, at the end of the introduction of the first paragraph, “or, in the case of a person who makes a bid in reliance on an exemption from take-over bid and issuer bid rules”;

(2) by adding, at the end of the introduction of subsection (1), “or, as the case may be, of the report required by section 189.1.2”;

(3) by replacing, in subsection (2), “250 \$ and, as the case may be, the surplus over 250 \$” by “500 \$ and, as the case may be, the surplus over 500 \$”;

(4) by adding, at the end of the section, the following paragraph:

“The offeree company pays a fee of 500 \$ when filing the circular of the board of directors.”.

5. Section 271.5 of this regulation is amended:

(1) by replacing, in subparagraph (2)(b), the figure “300 \$” by “375 \$”;

(2) by replacing, in subparagraph (3)(b), the figure “250 \$” by “375 \$”;

(3) by replacing, in subparagraph (5)(b), the figure “300 \$” by “375 \$”;

(4) by replacing, in paragraph (6), “50 \$ when the officer or director is already registered as a representative, 100 \$ in other cases” by:

“(a) 375 \$ in the case of an officer or a director of a dealer with an unrestricted practice or of a discount broker, except if the dealer or broker is a member of a self-regulatory organization to which the Commission has delegated the provisions concerning the approval of officers and directors;

(b) 300 \$ in the case of an officer or a director of a dealer with a restricted practice, except if the dealer is a discount broker;

(c) 375 \$ in the case of an officer or a director of an adviser;”.

6. Section 271.6 of this Regulation is amended:

(1) by replacing, in subsection (1), the figure “300 \$” by “500 \$”;

(2) by inserting, in subsection (1), after the word “hearing”, “and in the case of an application for an exemption from the valuation report required under section 106.1 or 183”;

(3) by adding, after subsection (4), the following:

“(5) at the time of the filing of a valuation report required under section 106.1 or 183, 500 \$;

(6) at the time of the filing of a networking arrangement required under section 236.3, 500 \$.”.

7. This Regulation will come into force fifteen days after its publication in the *Gazette officielle du Québec*.

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